

**HOUSE OF ASSEMBLY.**

Thursday, October 4, 1962.

The SPEAKER (Hon. T. C. Stott) took the Chair at 2 p.m. and read prayers.

**PUBLIC PURPOSES LOAN BILL.**

His Excellency the Governor, by message, intimated his assent to the Bill.

**QUESTIONS.****TOWN PLANNING LEGISLATION.**

Mr. FRANK WALSH: Can the Premier say whether it is the Government's intention to introduce town planning legislation this year or whether it is planned for next session?

The Hon. Sir THOMAS PLAYFORD: A master plan for the metropolitan area is being prepared at present. I understand that the framing of the Town Planner's report is in an advanced stage and that only one outstanding matter remains to be completed. Under the original legislation the plan was authorized unless Parliament voted it out. The legislation was amended and the present position is that the plan is authorized when Parliament votes it in. So it does not come into operation automatically: it has to be approved by Parliament by resolution. Seeing that the report covers so many matters and has so many ramifications, I very much doubt whether it would be wise for Parliament to express a view upon it at least until the community has had an opportunity of seeing what is involved in it. I do not know what is involved entirely. The plan sets out the entire planning of the metropolitan area for a long period ahead, covering such things as the development of freeways, highways, and that type of thing, as well as water reticulation schemes and other public amenities. I understand that it is a complete zoning plan of the whole of the metropolitan area. That is a purely tentative statement, because I have not seen the plan, do not know what is involved in it, and therefore cannot comment on it.

Mr. Frank Walsh: You would not be introducing any legislation this session?

The Hon. Sir THOMAS PLAYFORD: I consider that it would be unwise to introduce a resolution at the same time as the plan was introduced, for I do not think people would have had time to understand what was involved in it, nor would members even have had an opportunity of seeing how it affected their own districts. I personally would be against such action.

**ABATTOIRS OVERTIME BAN.**

Mr. HEASLIP: Since September 12 there has been an overtime ban at the Metropolitan Abattoirs, and as a result it has been impossible to slaughter thousands of sheep and lambs. Can the Minister of Agriculture say what the position is at the Metropolitan Abattoirs today, and what it is likely to be over the long weekend?

The Hon. D. N. BROOKMAN: This morning I was informed of the proposed movement and intake of stock for next week's market, but since then I have been informed further that the union has advised the management that the overtime ban has been lifted. Therefore, the report I had on the market for next week may not now be up to date. I understand also that after a meeting this morning the union informed the Abattoirs Board that it was approaching the wages board on its claim for extra sick leave, and that it had asked the Abattoirs Board for an assurance that the men's existing working conditions would not be disturbed. The management informed the union that never at any time had it intended to upset the existing conditions. Both parties have reserved the right to make further approaches for variations according to future circumstances. I understand that now the ban has been lifted work will take place on the weekend, and the programme for the killing is at present being worked out. The General Manager has informed me that local killing and export killing will take place on Saturday and Sunday. No doubt the final details will be made known later.

Mr. FRANK WALSH: I seek leave to make a brief statement concerning the recent dispute at the Metropolitan Abattoirs.

Leave granted.

Mr. FRANK WALSH: The Secretary of the Meat Industry Employees' Union, Mr. Pirie, has just communicated with me by telephone and he has asked me to convey to you, Mr. Speaker, his organization's appreciation of your efforts in arranging a conference that proved beneficial to all concerned.

The SPEAKER: Will the Leader convey my personal appreciation to the Secretary of the Meat Industry Employees' Union?

**FRUIT JUICE IMPORTS.**

Mr. BYWATERS: In this morning's *Advertiser*, under the heading of "Concern at Import of Fruit Juice", appears the following report:

State citrus growers and processors were "vitaly concerned" at increasing competition

from imported fruit juices, the secretary of the Murray Citrus Growers' Co-operative Association (Mr. D. H. Sanders) said yesterday.

This year there has been a large crop of oranges and lemons which growers have found difficult to sell. Low prices have caused much concern to the industry generally, particularly as fruit juices have been imported from California and other parts of the world. In view of the surplus of citrus juices in Australia, will the Premier take up this matter with the Commonwealth Government to see if import restrictions on citrus juices can be arranged?

The Hon. Sir THOMAS PLAYFORD: The position the honourable member has mentioned has become particularly critical this year regarding lemons. I have been informed that for some weeks lemons have been virtually unsaleable to factories. It seems to me to be completely anomalous to use overseas exchange on importing something that can be supplied readily in this State. I believe the other States are equally well stocked. I shall be happy to do what the honourable member suggests.

#### VERY LIGHT PISTOLS.

Mr. JENKINS: From a report in this morning's *Advertiser* it appears that boat owners who wish to purchase Very light pistols for use in cases of distress when at sea at night have been refused a licence by the Police Department. It seems to me that Very light pistols, if they were licensed and if a colour were decided upon as a distress signal, could be a valuable aid in drawing attention to a vessel in distress and indicating its location. Can the Premier comment on this and say why licences cannot be issued?

The Hon. Sir THOMAS PLAYFORD: I do not know whether my colleague, the Minister in charge of the appropriate department, has any information on this matter, but I will see that the honourable member gets a report.

#### COUNTRY ABATTOIRS.

Mr. HUGHES: During the last few days I have directed several questions to the Minister of Agriculture about the possible establishment of a branch of the Metropolitan Abattoirs in the grain distillery building at Wallaroo. Has the Minister any further information to give?

The Hon. D. N. BROOKMAN: Since the honourable member raised this matter earlier this week and following on the deputation that he referred to, in which a claim was put for

an extension of the Metropolitan Abattoirs to Wallaroo, I have checked the position, which does not, as suggested by the honourable member, show that I have been inactive. I discussed this matter not only with the General Manager of the Produce Department but also with the Abattoirs Board, and forwarded a full statement on the matters referred to in the deputation, asking them for their views. I received an acknowledgment from the board that it would consider the matter, but I have not since heard from it. I believe the initiative rests with the Abattoirs Board; if it wishes to do anything more, it will approach me.

#### METROPOLITAN RESERVOIRS.

Mr. CUMBE: Can the Minister of Works state the present metropolitan water supply position and indicate how much pumping is now being maintained from the River Murray to augment this supply? Can he say whether any worthwhile replenishment has occurred to the reservoirs as a result of rains that have fallen in the last few days?

The Hon. G. G. PEARSON: It so happens that I have a schedule in my bag that shows that as at October 1 metropolitan reservoirs held 12,377,000,000 gallons, so, compared with this time last year (when they held 7,536,000,000 gallons), we are in a much happier position. As the honourable member knows, we have been pumping off-peak for several weeks, and that has enabled us to maintain storages at about 12,000,000,000 gallons. The Engineer for Water Supply has been watching the position as to pumping but, because of pumping activities and the cooler weather, we have been able to maintain that figure without much diminution in recent weeks. I know that as soon as he considers it necessary to discuss further pumping he will raise the matter with me. The position is well in hand and we are well able to cope with summer requirements as far as we can see now. There has been no appreciable intake from rainfall; it has been almost all due to pumping activities.

#### WHYALLA BRIDGES.

Mr. LOVEDAY: The Minister of Works will be aware that two works are being undertaken at Whyalla—a new bridge over the Whyalla to Iron Knob railway line, and the widening of the existing bridge. As these works are well in progress and as the designs have never been submitted to the Whyalla city commission, which is most interested in them, will the Minister of Works ask the Minister of Roads

whether the commission can have the designs of both these works as early as possible, particularly as work on one of these undertakings is already proceeding?

The Hon. G. G. PEARSON: I will ask my colleague whether that can be done.

#### SUPERPHOSPHATE.

Mr. HARDING: The Minister of Agriculture is aware that farmers in the South-East use about 120,000 tons of superphosphate a year and that limited supplies now remain on the island of Nauru. There is even talk now of having people transferred from Nauru either to the mainland or to other Pacific islands when this source cuts out. Is the Minister aware that supplies of phosphate rock on Nauru are limited? Can he indicate the quality and known quantities of phosphate rock located adjacent to Rum Jungle? Is it expected that phosphate rock from that area can be treated economically with local sulphuric acid, which is in ample supply on the spot?

The Hon. D. N. BROOKMAN: I am aware that the economic life of the Nauru deposits is coming to an end—I do not know when, but at least this is foreseen. The rest of the question, I think, would be more properly directed to the Commonwealth Minister for Primary Industry; I shall therefore write to him and, when I get a reply, I shall let the honourable member have it.

Mr. BOCKELBERG: Can the Premier give the House any information on the price of superphosphate for the coming season?

The Hon. Sir THOMAS PLAYFORD: Yes. I desired the honourable member to ask this question so that some publicity could be given to this matter. The position is that the Prices Commissioner has now determined that the price of superphosphate for this year shall be the same as for last year. The maximum approved prices are: unbagged—£11 3s. a ton; in new cornsacks—£12 13s. a ton; in farmers' own sacks—£11 12s. a ton; and in paper bags—£12 10s. a ton. These prices are subject to a reduction of 5s. a ton for payment within 30 days.

As a matter of interest, this year the companies have had additional costs in regard to raw material of 5s. a ton, and other additional costs have been incurred, increasing the total cost of manufacture to the companies concerned by £100,000 per annum; but, against that, the department has been able to arrange some reduction in the price of sulphuric acid and a reduction in the landed costs of cornsacks.

As a consequence, the price remains unchanged. In fact, it is the fifth year in succession that there has been no increase in superphosphate prices.

#### WRONGS ACT.

Mr. DUNSTAN: When the Wrongs Act was last before this House, some years ago, a question was raised about the possibility of providing for claims for solatium by children of people killed in accidents. The House at the Premier's behest at that time would not make that amendment, but the Premier then undertook to refer the matter to the Law Society and obtain its views on the matter. I raised the question on August 9, 1960, when the Premier said:

I am afraid that my memory has failed me in connection with this matter and probably I did not carry out the request of the honourable member. Possibly I have not submitted it to the Law Society; I may be in error about that. However, if that is the case, I will remedy it as soon as possible and advise him accordingly.

I regret to inform the Premier that since August 9, 1960, I have not been advised. I do not know whether the matter has been referred to the Law Society, or, if it has, whether the Law Society's memory has failed it, but I should be glad to know the present position.

The Hon. Sir THOMAS PLAYFORD: The matter is of some years' standing now. As a matter of interest, we have not had much of this type of thing. If I had to venture an opinion on this, I would venture the opinion that the Law Society recommended against it, but I will check up for the honourable member so that I can tell him what the present position is.

#### CRUSHING PLANT.

Mr. CASEY: I understand that the crushing plant that has operated between Yongala and Mannanarie has not operated for some time owing to the fulfilment of the contract in that area. I now understand that the crushing plant will resume operations soon. Will the Premier, as Acting Minister of Roads, ascertain exactly when this crusher is to resume work and where the crushed metal will be used?

The Hon. Sir THOMAS PLAYFORD: Yes.

#### CADELL DRAINAGE.

Mr. FREEBAIRN: Has the Acting Minister of Irrigation a reply to my recent question about the rising water table in the Cadell irrigation area?

The Hon. D. N. BROOKMAN: The accumulation of surface water in the area occupied by

the Cadell training centre in the hundred of Cadell has been investigated by an officer of the Lands Department and a comprehensive report has been received. Further examination of the matter is necessary and the correspondence has been referred to the Engineer-in-Chief with a request that the effect of the water on the nearby horticultural properties in the Cadell irrigation area be explored and a report furnished.

#### CHRISTMAS SHOPPING.

Mr. RICHES: Has the Premier received representations from country centres in relation to the permit granted for late shopping at Christmas? I understand that the permit has been granted for late shopping on the Friday evening preceding Christmas, and that the Minister has received representations from some country centres, including Port Augusta, asking that that permit be transferred to Christmas Eve. If the Premier has received representations, has he had an opportunity to consider them and can he make any statement?

The Hon. Sir THOMAS PLAYFORD: I personally have not received any representations. They would go to the Minister of Labour and Industry and his department, normally, but I did notice some correspondence that would lead me to believe that what the honourable member is suggesting is correct: that there have been representations for an alteration in the proposal. If the honourable member will ask this question again on Tuesday next I shall have not only a report for him on what representations have been received but also, I hope, information on what decision can be given on it.

#### NURIOOTPA HIGH SCHOOL.

The Hon. B. H. TEUSNER: I refer to recent representations made by me to the Minister of Education for the subsidizing of the cost of certain additions and improvements to the shower rooms and change rooms at the Nuriootpa High School. Has any decision been reached in this matter?

The Hon. Sir BADEN PATTINSON: Yes. Unfortunately, there was a misunderstanding between the Nuriootpa High School Council and officers of the Education Department, and as a result the application for the subsidy was declined; but, since the written and oral representations made by the honourable member to me personally, I have discussed the matter with the Director of Education and it has been further considered. Today I have approved a recommendation by the Director

that in the light of the more complete information now available a subsidy should be granted on the improvements to the change and shower rooms and toilets at the Nuriootpa High School.

#### UPPER STURT SCHOOL.

Mr. MILLHOUSE: My question concerns the Upper Sturt School. Some time ago the Education Department acquired a site for a new school at Upper Sturt, which is welcome news because the present school in a number of ways (I am thinking particularly of the residence, playground and the lavatories) is not in a very good condition. What plans, if any, are there for the construction of a new school at Upper Sturt on the new site?

The Hon. Sir BADEN PATTINSON: As the honourable member has stated, some time ago the Education Department purchased 5½ acres of land from the old Manoah Estate as a site for a new Upper Sturt primary school. The claim of this district for a new school is being considered in conjunction with claims from other areas. It is not regarded as being as urgent as a number of others but, in view of the representations made by the honourable member and the school committee, I shall be pleased to discuss it next week with the Director of Education when we are considering the first draft of the next building programme. I cannot make any definite promise that it will be included because we have so many claims, but it will receive serious and sympathetic consideration.

#### CROWN LAND DEVELOPMENT.

Mr. NANKIVELL: Is the Acting Minister of Lands aware that between 3,000 and 4,000 acres of undeveloped Crown lands in the "out of hundreds" area of the counties of Chandos and Buckingham constitute a major fire hazard to the surrounding country? In view of new techniques that have been developed in the last few years to enable deep sand country to be brought into production, will he consider submitting the question of the possible development of this area for settlement to the Parliamentary Land Settlement Committee for inquiry in order to determine, first, whether it is advisable to open this land for development and settlement, secondly, the type of tenure and method of subdivision that should be employed, and, thirdly, what alterations would need to be made to the Crown Lands Act in order that any necessary controls over management and occupancy could be effectively provided?

The Hon. D. N. BROOKMAN: I have no detailed knowledge of this suggestion, but I shall be pleased to examine it, and perhaps refer it to the Land Settlement Committee with a view to obtaining replies to the questions.

#### APPRENTICES' TRAINING.

Mr. FRANK WALSH: Has the Minister of Education a reply to my recent question about the training of apprentices in the building industry?

The Hon. Sir BADEN PATTINSON: Consideration has been given to the introduction of additional boys' crafts in boys technical high schools. At the moment pilot courses are being conducted in applied electricity, photography, plastics and heat engines. When these courses have been tested over a period of 12 months it is possible that they will be instituted as alternative crafts in all boys technical high schools on a progressive basis. Aspects of bricklaying and plastering have not been overlooked. Further consideration is being given to these two crafts for possible inclusion as a new form of craft work for boys. However, it is felt that it would be better to expand and consolidate the four craft courses mentioned before extending the range.

Full apprenticeship courses are available at the Building and Furnishing Trades School covering all aspects of the building trade as required under the Apprentices Act. In addition, advanced courses are available for apprentices. More and more employers are taking advantage of these courses by giving approval for their apprentices to attend them although these are not covered as compulsory courses by the Act. Courses are also available for adult tradesmen in the building industry to enable such tradesmen to become more efficient as well as keep abreast of modern developments. As the result of purchasing and equipping a building at Marleston for a new building and furnishing trade school at a cost of about £250,000, much better facilities are being provided for the training of apprentices as well as adult tradesmen.

#### SCHOOL CANTEENS.

Mr. HARDING: In today's press appears a report of a reply to a question asked in this House yesterday. It states:

The position of proposed future canteens will be indicated on sketch plans for new schools under recommendations approved by the Minister of Education (Sir Baden Pattinson). In the Assembly yesterday, Sir Baden Pattinson said he had also recommended that the Educa-

tion Department provide the necessary information at the time the schedule of requirements was forwarded to the Public Buildings Department.

New schools are being erected at Penola and Naracoorte. Will the Minister of Education ascertain whether it will be possible to incorporate canteens in both schools either at the Government's expense or on a subsidy basis?

The Hon. Sir BADEN PATTINSON: I shall be pleased to comply with the honourable member's request to have investigations made, but I point out, at the outset, that it is contrary to the policy of the Education Department—and, indeed, of the Government—to provide canteens at the Government's expense. The policy is to provide them, when applied for and approved, on a subsidy basis. As yet I have not received a request from either of these schools. It is too early in the piece. However, it is not too late for me to ask that sites be reserved in the grounds or, as the Chief Architect suggested in his minute to me, that verandahs be widened or some other structural provisions made during the course of the erection of the buildings so that the canteen sites will be close to sewers, water, electricity and other facilities. I shall take it up with the Education Department and the Public Buildings Department straight away to see whether sites can be reserved at both schools for this purpose, because I am quite sure that applications will soon be made for canteens at both schools.

#### MARNE VALLEY ELECTRICITY.

Mr. BYWATERS: An electricity main has been established at Punthari, in the Marne Valley, having been let under contract to a man named Josephs. The commencement of this scheme was delayed and further delay occurred during actual construction. I understand that the wires have been installed, but that no power connection has been made. Most of the local people depend on batteries for their power, but many of those batteries are no longer useful. Those people are anxious to know when this power will be connected. Will the Premier take the matter up with the Electricity Trust in an endeavour to facilitate the supply to these people?

The Hon. Sir THOMAS PLAYFORD: Yes.

#### WATER POLLUTION.

Mr. FRED WALSH: I understand the Minister of Works has a reply to my recent question concerning the pollution of sea-water.

The Hon. G. G. PEARSON: The Engineer-in-Chief reports that during the bathing season, samples of waters along our coastline are taken regularly from the Broadway, Glenelg, to the River Torrens outlet, West Beach. Samples are not ordinarily taken beyond these points as the Water and Sewage Treatment Division regards these waters as being beyond any possible influence of the effluent discharged from the Glenelg treatment works. However, the bathing waters from Seacliff to Semaphore are sampled at irregular intervals. This is not because of any suspected influence from Glenelg, but rather to check on the effects of surface water discharges from the Adelaide Plains.

Based on all the sampling that has been done over a number of years, it can be stated that the bacterial counts in the bathing waters over the whole of our beaches from Seacliff to Semaphore indicate sea-bathing waters of a very high bacteriological standard. No measurable evidence exists anywhere over this strip of bathing waters of pollution from sewage or sewage effluents. During periods of discharge of stormwater from streams or drains, such as the Patawalonga Creek, Torrens River and other drains, etc., there can be some lessening of the above high standards near the mouths of such drains or streams. However, this has no connection whatever with any sewage effluent discharge.

#### WALLAROO HARBOUR.

Mr. HUGHES: The last information I had from the Minister of Marine in reply to my question about the deepening of the harbour at Wallaroo was that a report was to go to Cabinet for decision regarding the reference of this matter to the Public Works Committee. Is the Minister able to tell the House of any further developments in the proposed deepening of both the approaches and the swinging basin?

The Hon. G. G. PEARSON: In accordance with the undertaking I gave the honourable member, the matter was duly considered by Cabinet. The reference to the Public Works Committee was signed by His Excellency in Executive Council this morning.

#### BETHLEHEM HOMES INCORPORATED.

Mr. DUNSTAN: Can the Premier indicate the present position regarding the application for a grant of a licence under the Collections for Charitable Purposes Act by Bethlehem Homes Incorporated? As I understood the position previously, the advisory committee was

awaiting a report from the Children's Welfare and Public Relief Board, which report I believe has now been made.

The Hon. Sir THOMAS PLAYFORD: This matter does not normally come within my department, but I know something of the matter because I saw a copy of the Children's Welfare and Public Relief Board's report on the application. I think the advisory committee, in asking for a report, stated that it would not approve the application unless a favourable report was received. Having read the report carefully, I concluded that it was adverse. The report has gone on to the advisory committee.

#### RAIL STANDARDIZATION.

Mr. McKEE: Is the Premier able to say whether any money has been allocated for work on the standardization of the Broken Hill to Port Pirie line prior to the project being submitted to the Public Works Committee?

The Hon. Sir THOMAS PLAYFORD: This matter was referred to the Public Works Committee this morning. The only money that can be spent prior to the committee's investigating this matter is the money that has been made available by the Commonwealth Government for survey purposes. As the honourable member knows, it is not lawful for the Government to appropriate money on any project which is to cost more than £100,000 unless there has first been a report from the Public Works Committee. The matter is now before the committee, and I have no doubt that the committee will consider it as speedily as possible.

#### LOCOMOTIVES.

Mr. FRANK WALSH: I understand that it is likely that the Islington workshops will tender for three diesel-electric locomotives, but there seems to be some doubt whether it will be possible to submit the tender before the closing date for tenders. Will the Premier ascertain the position from the Railways Commissioner, particularly as to whether the Commissioner intends to have this work done at Islington rather than elsewhere?

The Hon. Sir THOMAS PLAYFORD: Yes.

#### POISONS CENTRE.

Mr. RICHES: From time to time I have raised in this House the question of the setting up of a poisons centre in South Australia to facilitate the diagnosis of poisoning cases. I have had supplied to me from a lady who has

been a victim of arsenical poisoning a list of cases which she claims have been wrongly diagnosed in South Australia in recent years. That list has been made available to some of my colleagues in this House. The other day I received from the same lady another letter, part of which states:

Yet another mistaken diagnosis, in respect to a fatal case of acute arsenical poisoning, has come to light. This case, reported in the *Advertiser* of September 9, 1962, followed the typical pattern. The poison victim, Hugh Oxford, of Vermont, was said to have ingested sufficient arsenic on December 14, 1961, to cause his death 12 days later. At the Coroner's inquiry last Friday, very little medical evidence was shown, but I have been informed that when the man became ill on December 14 he was diagnosed as suffering from "stroke" and admitted to Royal Adelaide Hospital as such. But it was not until December 21 (or later) that he was diagnosed as a case of acute poisoning. Again, as in previous cases of acute arsenical poisoning treated at the Royal Adelaide Hospital, there seems to have been the fatal delay in diagnosis and in instituting the vital poison antidote.

In view of these endless cases of undiagnosed acute arsenical poisonings, surely it is high time for the Government to make inquiries into methods of poison diagnosis at the Royal Adelaide Hospital and elsewhere. Medical authorities point out that no case of acute arsenical poisoning should be missed and that it should be possible to diagnose such cases at least within 48 hours. Early diagnosis and treatment with the poison antidote are life-saving expedients in many cases where delay is a matter of life and death. I shall not be satisfied until I see a poisons control centre established in South Australia.

I understand that, since representations have been made in this House, a poisons control centre has been established in Victoria. Will the Premier, after investigation of these statements, call for a report from the Minister of Health or some other competent authority on the advisability of setting up somewhere a reliable centre for convenient and expedient diagnosis of acute poisoning cases in South Australia?

The Hon. Sir THOMAS PLAYFORD: I will get a report for the honourable member on the matters he has mentioned.

#### PUBLIC WORKS COMMITTEE REPORTS.

The SPEAKER laid on the table the following final reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Salisbury West Primary School,  
Strathalbyn Water Supply.

Ordered that reports be printed.

#### EDUCATION ACT AMENDMENT BILL.

The Hon. Sir BADEN PATTINSON (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Education Act, 1915-1960. Read a first time.

The Hon. Sir BADEN PATTINSON: I move:

*That this Bill be now read a second time.*

It makes a few necessary amendments to the Education Act in relation to long service leave. Paragraphs (a) and (b) of clause 3 amend section 18a of the principle Act which provides for long service leave. An officer of the Public Service may, under the Public Service Act, be granted double his long service leave on half salary instead of the ordinary period on full salary, a provision which does not apply to teachers under the Education Act. The amendments will permit teachers to be granted double their entitlement at half salary in the same way as public servants.

Clause 3 (c) and (d) will increase the total amount of long service leave for teachers, which is at present limited to 270 days, by an additional nine days for each year of actual teaching service over 35 years—that is, excluding service as a trainee. The ordinary long service leave is limited to 270 days by section 18a (2) of the principal Act, but service as a trainee is counted as part of the length of service. The present amendment will remove the limit in the case of any teacher who has in fact been actually engaged in teaching for more than 35 years. Such a person will have an entitlement of nine days' long service leave (or 18 days at half salary) for each complete year of his service as a teacher in excess of 35 years.

The other amendment of substance is effected by clause 4 (d) of the Bill, which inserts a new subsection in section 18c of the principal Act. That section makes provision for the carrying over by an officer of the Public Service of his long service leave rights upon his appointment as a teacher. Teachers at the South Australian Institute of Technology (not being members of the Public Service or teachers within the meaning of the Education Act) are not covered under section 18c in its present form. It is not unusual for persons to transfer from the institute to the Education Department, and the amendment will enable them to count service with the institute for the purposes of long service leave under the Education Act.

The remaining subclauses of clause 4 make two amendments which appear to have been overlooked when the Act was amended in 1958. In that year the long service leave provisions were altered to enable teachers after the first 15 years of service to qualify for an additional nine days for each year in excess of 15 instead of having to wait a further 10 years to qualify at all. The corresponding amendment was not made in section 18c in relation to transfers from the Public Service. This anomaly is removed by clause 4 (a) and (b).

A further consequential amendment in the same section of the Act is corrected by clause 4 (c). When the principal Act was amended in 1958 the maximum limit for persons transferring from the Public Service to the Education Department remained at 365 days, while the maximum under the Public Service Act has been increased to 450 days. Subclause (c) makes the corresponding alteration in relation to transferred officers. The Bill is designed to correct anomalies in the long service leave provisions and will, I am sure, have the support of all honourable members.

Mr. CLARK secured the adjournment of the debate.

#### LOANS TO PRODUCERS ACT AMENDMENT BILL.

Read a third time and passed.

#### EXPLOSIVES ACT AMENDMENT BILL.

Read a third time and passed.

#### HOUSING LOANS REDEMPTION FUND BILL.

Committee's report adopted.

Bill read a third time and passed.

#### HOMES ACT AMENDMENT BILL.

Committee's report adopted.

Bill read a third time and passed.

#### IMPOUNDING ACT AMENDMENT BILL.

Committee's report adopted.

Bill read a third time and passed.

#### COMPANIES BILL.

Adjourned debate on second reading.

(Continued from October 3. Page 1256.)

Mr. HUTCHENS (Hindmarsh): I support the second reading of this Bill. As other States have passed similar legislation, which is now in operation in Victoria, Queensland and New South Wales, it would be well if we were to pass this legislation here although it

would not come into operation until July, 1963. I want it understood that I am merely expressing my personal views, that they must not be taken as those of my Party because we are, at this stage, expressing our own personal views and not those of the Party. The member for Mitcham (Mr. Millhouse) said that he believed it was undesirable to get uniformity, and he cited the United States of America as having operated as a private enterprise country with success without uniformity. I would remind him that, if the United States of America is famous for anything, it is famous for rackets, and that may be made possible by the lack of uniformity and the evasion of the many State laws. The other point made by the member for Mitcham was that it was undesirable to have the substantial increases in many of the charges proposed under this Bill. This is a short-sighted view to take because the very purpose of the increases is to prevent the forming of companies with no possible security or chance of success. Ample proof of that came from the honourable member when he said that this Bill was modelled on the Victorian Act. That is so, and I agree with him.

Yesterday's *Advertiser* carried an article on a report tabled in the Commonwealth Parliament about the increased number of bankruptcy cases in the Commonwealth of Australia. It gave particulars of the various States. To emphasize my point, I quote from the article, which gives the following figures: N.S.W. 865; Victoria 587; Queensland 285; South Australia 581; Western Australia 238; and Tasmania 98. Without having worked on those figures, it would appear to me that in South Australia per capita we have a far greater percentage of bankruptcies than any other State in the Commonwealth. One big reason for this is that we have made it too easy for people to form companies. This large number of bankruptcy cases in any State is not to the advantage, but is rather to the detriment, of that State. So the increased charges are not in any way a condemnation of, but are rather a recommendation for, the Bill. The Bill is complicated and I acknowledge that I am at some disadvantage, as I have not been briefed on it. Therefore, I do not propose to prove the fact that I have only a limited knowledge of it by talking at length.

Mr. Clark: Do you think the member for Mitcham was briefed?

Mr. HUTCHENS: I do not know whether he was.

The SPEAKER: Order! That is not in the Bill. Kindly keep to the Bill.



Mr. HUTCHENS: Clause 292 causes me concern. Indeed, I am grateful to the Parliamentary Draftsman for his explanation of the clauses, because it has made them somewhat easier to understand. In his explanation of this clause he states:

Clause 292 sets out which debts must be paid on a winding up in priority to all other unsecured debts. The clause is similar in effect to section 279 of the existing Act but the limits in regard to wages or salary have been raised from £50 to £300 and in regard to workmen's compensation from £100 to £1,000.

Whilst the increase in respect of wages or salary is substantial, I doubt whether it is entirely satisfactory. A wage or salary would include all types of payment, including piece-work and overtime, and an employee's credit could far exceed the stipulated sum. Furthermore, as I understand it, the period of the claim is limited to four months. This provision could work to the disadvantage of workers employed by a company that is winding up. I believe that the four-month period should be extended and that the £300 upper limit should be increased. Although the increase in workmen's compensation seems large, I believe that it, too, should be further considered before we reach the Committee stage. Whilst the clause provides for payments to be made in respect of annual leave and long service leave, no provision is made for payment for sick leave. This may possibly be an oversight, but it should be considered. Most people seem to want this legislation. Immediately the Bill was introduced I received a request for a copy of it from a big company, which has establishments in all States except Tasmania. Its experts studied the Bill and admitted that although it did not meet with complete approval, it provided some degree of uniformity and the company would not object, but would appeal to the committee of Attorneys-General if amendments were warranted. Uniformity, in these days of keen competition, is essential and I support the second reading.

Mr. LOVEDAY (Whyalla): This legislation has been under discussion for two years by a standing committee of Attorneys-General of the Commonwealth and all States. From the very nature of their investigations we can rest assured that companies that do the right thing need have no fear of this legislation. It has been carefully considered by all States and has been investigated by those most able to carry out such an investigation, and this should relieve the business community of any fears about the Bill. Undoubtedly uniformity

in company law is essential and will be of great advantage. This long Bill, containing 353 pages, is extremely technical, and members will not be able to discuss it from a technical viewpoint in its entirety. The legislation makes for a better disclosure of accounts, it ensures that company directors generally will carry out their duties in a more responsible manner in many cases, it will have the effect of curtailing the activities of confidence men in selling shares, and it will mean that there will be better control over take-over procedures.

I am particularly interested in clause 292 which refers to the priorities of wages, salaries and commission in cases of companies winding up. Under our existing Act the priority in respect of wages and salaries is particularly bad. The priority of white-collar workers is only up to £50 in respect of wages or salary owing at the time of a company's winding up, and, to other workers, up to £25. This provision must have resulted in considerable hardship in cases where companies have gone into liquidation. The Bill increases these amounts, but in my opinion not sufficiently. Clause 292 (b) provides that the liability for wages or salary shall not exceed £300, and, in respect of wages, it states:

... whether for time or piece-work in respect of services rendered by him to the company within a period of four months before the commencement of the winding up.

This appears to me to be too small an amount for several reasons. I think it has been generally admitted for a long time that wages are a first charge on production, because they mean the very livelihood of people, many of whom are receiving weekly amounts in wages, or wages paid over longer periods, which are in many cases sufficient only to meet week-to-week commitments and permit little or no savings. There are, of course, others who are in a better position but who in many cases are involved in hire-purchase commitments. In view of the fact that industry now relies so heavily on various means of credit purchasing, I think it can be seen that the provisions in the Bill in this respect do not go far enough. With a company winding up it could mean that an employee might find it very difficult to obtain other employment, and if the company was owing him quite considerable amounts and he was able to get only up to £300 for services rendered by him to that company within the period of four months before the commencement of the winding up, he could find himself in very difficult circumstances.

It seems to me to be wrong that a person who has actually been working for the company and, as I said, relying on his wages for his day-to-day and week-to-week commitments, should be faced with this position. I think he has a claim for a very high priority. He certainly has not the highest priority in the Bill. First, there are costs and expenses of the winding up, including the taxed costs of a petitioner payable under section 224, the remuneration of the liquidator, and the costs of any audit carried out pursuant to section 281. It appears to me that the priority accorded wages and salaries should be even higher than that set out in the Bill.

The inclusion of the term "piece-work" means that in certain circumstances quite considerable sums might be owing for work done over a lengthy period. We all know that there are instances where piece-work is conducted in a certain way and that payments are made from time to time, and I can quite conceive that people undertaking this class of work and receiving payment on a piece-work basis could, in the event of a company winding up, be left lamenting and in an extremely difficult position. I feel that their priority cannot be regarded as high enough in this Bill.

Turning next to clause 292(1)(c), which concerns itself with workmen's compensation, I feel that here again insufficient priority has been given to this particular aspect. Let us look at the Workmen's Compensation Act and have regard to the sort of case that might arise under this Bill. The Workmen's Compensation Act today provides for compensation for various injuries which are set out in the Act, and the amounts payable by way of compensation are set out in a percentage ratio which the fixed sum payable as compensation bears to £3,250. When we look down the list of sums payable for injuries and compare it with what would happen under this Bill, we find under the Bill that for the total amount payable in respect of workmen's compensation under the Workmen's Compensation Act, 1932, as amended, and accrued before the commencement of the winding up, the limit is £1,000.

Under the Workmen's Compensation Act the total loss of a thumb would mean compensation of about £1,000. Obviously, all the injuries which exceed that by way of compensation would in many cases not be properly met by the priority accorded this feature of the Bill. I consider that workmen's compensation should receive a very high priority indeed in regard to the proportion that is owing to the person concerned. For example, under the

Workmen's Compensation Act the loss of both eyes, both hands, both feet, the loss of a hand and a foot, total and incurable loss of mental powers involving inability to work, and similar disabilities, all bring compensation to the extent of £3,250, and one can imagine that a person to whom this compensation was payable would be left in an extremely unfortunate position in view of the limit of £1,000 set out in the Bill. It seems to me that a far more generous provision should be given in this respect, because obviously a person who had been injured in an accident which meant, say, the loss of both eyes or total incapacity as a result of those injuries I have mentioned, would be in an almost hopeless position from the point of view of earning power. Yet other creditors in the particular instance of the company that was wound up would at least get something out of the wreck if there were something to distribute. Surely the position of a person who is on workmen's compensation should be viewed most generously indeed, taking into account the respective situations of the persons who would receive from the distribution of the winding up.

Mr. Jennings: He is at least as much a creditor, isn't he?

Mr. LOVEDAY: Yes. His disability in the future should be considered in this aspect, and nothing should be done, if possible, to cut down in any way the compensation due to a person who has suffered these very bad injuries. As I pointed out, under the Workmen's Compensation Act, in the majority of cases due for compensation the amount payable is more than £1,000. Those cases where a maximum of 30 per cent of the £3,250 mentioned under the Workmen's Compensation Act is payable number only eight out of the total of 23 cases of serious injury, so I think there is ample justification for having another look at this clause.

Clause 292(1)(d) deals with the priorities accorded to remuneration payable to any employee in respect of annual leave or long service leave or both or, in the case of his death, to any other person in his right, accrued in respect of any period before the commencement of the winding up. Here again, I think there is a serious omission regarding sick leave. As we know, there are many instances today where sick leave is cumulative, and where there is a monetary payment in respect of sick leave which may not have been taken out. It seems to me that sick leave should be included here, together with annual leave or long service

leave. I think those things are particularly important, and one need not apologize for laying particular stress on these matters out of the large number of clauses contained in the Bill. These are aspects which deal with people who are relying, in the case of wages, on something which means their day-to-day livelihood, and, in the case of workmen's compensation, with the position of people whose whole future is at stake regarding future employment owing to the disability which has unfortunately come to them as a result of some accident. I think we should carefully consider these particular clauses with a view to amending them and making them more generous to the people concerned. Provided that this is done, I shall have much pleasure in supporting the Bill throughout.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Repeals and Savings. First Schedule."

The CHAIRMAN: There are several minor clerical errors that I shall correct as the Committee considers the clauses; I will draw attention to them as we come to them. This is a large Bill and I shall take the clauses *en bloc* according to the division, part, or subdivision enumerated in clause 3. This will save considerable time. If any member wishes to rise to any particular clause, he can indicate this when the clause is called.

Clause passed.

Clauses 5 to 7 passed.

Clause 8—"Companies Auditors Board."

Mr. SHANNON: This provision concerns companies generally, as no company fails at some time or another to link up with another company which becomes insolvent and the affairs of which are wound up. When this happens, it is particularly concerned with the people winding up the insolvent company, because the more efficient the winding up and realizing on the assets the better the dividend rate. The existing law gives some protection for practical company policy to be pursued as it provides that one of the members of this panel (referred to as the Companies Auditors Board) shall be a practical businessman, and that has much to recommend it.

Although I do not criticize the drafting of this Bill, too much emphasis has been laid on academic qualifications rather than on practical experience. In the business world it is wise for a man to possess accountancy qualifications,

but their possession does not necessarily mean that he will be an astute businessman. He may be an outstanding candidate in his examinations but may not be a success in the practical side of running a business. We have all seen examples of failure by people who were thought to be prominent businessmen who were given jobs outside their own spheres. As the existing legislation provides for a practical businessman to be represented on this board, I consider that this could be continued in this measure. Clause 8 (2) provides for one representative to be appointed from five nominations made by the State Council of the Institute of Chartered Accountants and one from a panel of five names nominated by the Council of the State Division of the Australian Society of Accountants. They both come from similar organizations. I suggest that in subclause (2) (c) we change the choice given to the Government of the day in the appointment of this Companies Auditors Board by allowing the Chamber of Commerce rather than a separate accountancy association to select the names—to submit, in effect, two panels, one for one association and one for the other. If I am supported in this and it is thought that a competent business person would be of some use in directing the affairs of this Auditors Board, I should be prepared to move a small amendment giving the Chamber of Commerce rather than the Australian Society of Accountants the opportunity of submitting a panel of five names.

Mr. Loveday: Are the institute and the society the same body?

Mr. SHANNON: No, but they have the same type of member. I point out that this will be a body charged with the serious duty of ensuring that the public companies concerned in South Australia with public affairs will be conducted as they should be. There is only one practical businessman on the panel. I would substitute the Chamber of Commerce for the Council of the State Division of the Australian Society of Accountants.

Mr. LAUCKE: The purpose of this board is to supervise the ethical standards of liquidators and company auditors registered by this board. I cannot follow the approach of the member for Onkaparinga (Mr. Shannon) to this matter. The important part of this clause is the registration of company auditors and liquidators—just their registration. This clause deals merely with the registration of persons for a certain purpose: it is not for the purpose of appointing anybody to liquidate or supervise the actual affairs of liquidation.

Mr. FRANK WALSH (Leader of the Opposition): The member for Onkaparinga should consult the Assistant Parliamentary Draftsman on this matter.

Mr. LOVEDAY: I agree with the member for Barossa (Mr. Laucke) because this Auditors Board has a particular function not directly connected with the actual transaction of business, in the sense mentioned by the member for Onkaparinga. It does not seem to me that the actual practising of business methods comes into this at all. This does not appear to deal with the functions of the ordinary businessman.

Mr. SHANNON: The need for business acumen in winding up a debtor company surely is a matter that concerns all companies. The skill with which the liquidation is conducted decides the dividend that the creditor company will receive from the liquidation. I draw the attention of the honourable members for Barossa and Whyalla to the words that control this aspect of the matter. I agree there is some merit in having a good businessman to select an auditor. The board's authority is related to auditors and liquidators. Liquidators will be required to perform a wide variety of functions. I have no complaint about the responsibilities laid on liquidators, but the board has to select or register liquidators and it must ensure that they are qualified. We have heard that good guides for this legislation have been obtained from other parts of the world, but I do not always agree with the law elsewhere. We are elected to decide what is right and proper. Whilst I do not regard this as a matter of vital concern, I point out that we are changing a law that has operated satisfactorily for many years. Indeed, it has not been changed since the Act was consolidated in the 1930's. Under the Bill two well qualified accountants will decide who the liquidators of companies shall be. The business world should be consulted on this provision.

The Hon. G. G. PEARSON (Minister of Works): As a Committee we must bear in mind that the primary function of this board is to adjudicate upon the qualifications of people who are to perform certain valuable functions in the community. Whilst I agree that there may be merit in the contention that the inclusion of a practical businessman as opposed to an academic accountant might offer some advantage, I point out that, under this clause, 10 persons will be available from whom the Governor can make a selection.

Mr. Shannon: They are all from the same source.

The Hon. G. G. PEARSON: Not necessarily. They are from two similar institutions. It is inconceivable that from the 10 nominations the Governor will not be able to select at least one with the requirements the honourable member desires.

Mr. Shannon: Is there any reason to change the existing law in this regard?

The Hon. G. G. PEARSON: I do not know, but I ask the honourable member to bear in mind that the primary function of the board is to adjudicate upon the qualifications of the people who shall be certified as auditors and liquidators.

Mr. Shannon: Would you classify a liquidator the same as an auditor?

The Hon. G. G. PEARSON: Not necessarily. Most of our practical businessmen rely largely upon the advice of their qualified accountants. I think that this clause is safely drafted.

Mr. Shannon: What is the difference between these two divisions of accountants?

The Hon. G. G. PEARSON: I do not know.

Mr. Shannon: We should know.

The Hon. G. G. PEARSON: That is a matter for professional people to decide. It is not only in accountancy that we have two divisions: we have two divisions in engineering, for instance.

Mr. Loveday: Isn't it likely that the 10 accountants will be experienced in business?

The Hon. G. G. PEARSON: I would assume so. I think the Committee can accept the clause as it stands.

Mr. FRANK WALSH: The member for Onkaparinga should be familiar with the qualifications of accountants from both accountancy institutes. The institutes are not opposed to one another. I suggest that if the honourable member studies subclauses (12), (13) and (14) of the following clause he will see that most of the protection he seeks is provided.

Clause passed.

Clauses 9 to 18 passed.

Clause 19—'Powers. Third Schedule.'

The Hon. G. G. PEARSON: I move:

After "unless" in paragraph (c) to insert "inconsistent with or".

Amendment carried; clause as amended passed.

Clause 20—'Ultra vires transactions.'

Mr. MILLHOUSE: In view of my remarks yesterday I do not want it to be thought that I view this Bill entirely without enthusiasm.

I am very glad to see this new clause. This is a good innovation, and it means that in future people who enter into transactions with companies will not have to worry whether those companies have the specific power to enter into particular transactions. I congratulate our Parliamentary Draftsman for including the clause.

Clause passed.

Clauses 21 to 53 passed.

Clause 54—"Return as to allotments."

Mr. MILLHOUSE: I have referred to the greatly increased penalties imposed under this Bill, and I think this is the first of the clauses in which that is evident. Subclause (7) reads:

If default is made in complying with this section, every officer of the company—not the company itself, but every officer of the company—

who is in default shall be guilty of an offence against this Act. Penalty: £200. Default penalty: £50.

That lays down a straight-out penalty on conviction of £200. The default penalty is explained in clause 380, which we will come to in due course. It means, in effect, that the officer of the company convicted is up for a further £50 a day for each day after the conviction until the prescribed return is filed. In his admirable explanation, the Parliamentary Draftsman states that this clause is similar to the present section 59, except that it exempts companies satisfying certain requirements. Section 59 provides for a penalty of £20.

Mr. Loveday: When was that inserted?

Mr. MILLHOUSE: In 1934. Even if we say that the value of money has depreciated by five times (which is a generous estimate), on that score the penalty has doubled, and in money values it has increased ten-fold. Also, the default penalty is £50 a day. I think this Committee will make itself look ridiculous if it allows these things to go through without at least seeking an explanation. I am not prepared to vote in favour of this clause unless the Minister can explain why the penalty should be increased so tremendously.

Mr. Shannon: Obviously every officer of the company would not be in default.

Mr. MILLHOUSE: I think so.

Mr. Shannon: Does "in default" refer to "every officer" or to "the company"?

Mr. MILLHOUSE: The use of the word "who" indicates that it is a person; a company, being neuter, is described as "which". I think the penalty is on a

person. The default has been increased to £50 and the straight-out penalty, in money terms, ten-fold. This is not comparable with increases in any other Acts.

Mr. SHANNON: This is obviously a penalty for companies doing the wrong thing, and unfortunately we have had too many of them in the business world.

Mr. Loveday: Confidence men!

Mr. SHANNON: I would call them rogues. Too many of these people have been operating in such a way that an unsuspecting public has been robbed. Although the penalty may sound savage, it is not savage for a deliberate breach. If an honest company committed an inadvertent breach, I do not think any court would impose a fine of £200; this is a maximum penalty.

Mr. Millhouse: You know, of course, that the court always looks to see what the maximum penalty is?

Mr. SHANNON: I realize that, and I hope the court does it because, in certain circumstances, this penalty would not be too great. Regarding my comments on what the member for Mitcham (Mr. Millhouse) said, I now think that perhaps this clause does apply to the officer.

The Hon. G. G. PEARSON: Section 59 (2) of the Act provides:

If default is made in complying with the requirements of this section every director, manager, or other officer of the company who is knowingly a party to the default shall be liable to a penalty not exceeding twenty pounds for every day during which the default continues.

This means that if the officer is in default for 10 days he is liable to a penalty of £200, which is the precise amount set out in this clause, where it is the total penalty. The default penalty operates only after conviction; it then becomes a penalty for continuing a practice for which a conviction has been recorded. I think the Committee will agree that this is a proper penalty in these circumstances.

Mr. LOVEDAY: After hearing the member for Onkaparinga (Mr. Shannon), and as the Commonwealth Conciliation and Arbitration Act imposes penalties of hundreds of pounds a day against people who seek wage justice, I think the penalty in this clause should be much higher.

Mr. MILLHOUSE: The member for Burra suggests that I should acknowledge defeat. I do not do that, but I am indebted to the Minister for his explanation, which I accept.

I rose in the first place to indicate what seemed to me to be a great increase in penalty. As we go through the Bill, I think we should examine penalties. Having received an answer, I am satisfied.

Clause passed.

Clauses 55 to 73 passed.

Clause 74—"Trustee for debenture holders."

The Hon. G. G. PEARSON moved:

In subclause (1) (b) after "incorporated" second occurring to insert "; or (c) a person who is a registered liquidator,"

Mr. SHANNON: I am concerned about the matter dealt with by this amendment. I am not sure that this provision is not already in the Bill—that an individual may be a trustee for debenture holders. A person's being appointed a trustee for debenture holders is a matter of some concern to the business world. Cases have occurred where a man whose probity could not be questioned has finished up doing a wrong. That has happened and it is not an unusual occurrence. When a trustee is needed to act in the interests of debenture holders, it seems to me that the appropriate authority to do that work is a company in perpetuity whose probity is known by virtue of its long experience in trustee work.

A body in perpetuity should be appointed. If an individual person dies during the period of his trusteeship, who takes over? There must be a hiatus before a new trustee is appointed whereas, in the event of a trustee company operating in perpetuity, there can be no hiatus because, when someone dies, the company carries on: it is a continuing process. This is an important matter to people dealing with debentures. There would be greater confidence in the business world if this power were placed in the hands of recognized companies rather than in the hands of individuals.

Amendment carried.

The Hon. G. G. PEARSON moved:

In subclause (5) before "company" first occurring to insert "person,"; and before "company" third occurring to insert "person,".

In subclause (5) (a) after "director" to insert "or an auditor".

In subclause (5) (b) after "holds" to insert "his or".

In subclause (5) (d) before "corporation" to insert "person or".

In subclause (5) (e) after "corporation" to insert "or director of a corporation".

After subclause (13) to insert the following new subclause:

(13a) Where a trustee for the holders of debentures of a corporation, having been appointed pursuant to this section, ceases to hold office as such, the corporation shall—

(a) if provision has been made in the debentures or the relevant trust deed for the appointment of a successor to the trustee, and for that successor to be a company, foreign company or registered liquidator qualified for appointment under this section as trustee for the holders of the debentures—take such steps and do such things as may be necessary for the appointment of a successor accordingly; or

(b) if no such provision has been so made—forthwith appoint, as successor to that trustee, a company, foreign company or registered liquidator qualified for appointment under this section as trustee for the holders of the debentures,

and the successor, when so appointed shall, for the purposes of this section, be deemed to be the trustee for the holders of the debentures, and the provisions of this section applying to and in relation to a trustee shall apply likewise to and in relation to the successor.

Amendments carried; clause as amended passed.

Clauses 75 to 97 passed.

Clause 98—"Certification of transfers."

Mr. SHANNON: I am informed by an officer of a company in which I am interested that this clause changes the responsibility for the transfer of shares, debentures or other interests in a company from the people concerned back to the company. Any company in this field realizes that it will have to carry some responsibility. My company may have to take out insurance cover for the risk involved in false certification. Although the officer referred to is not a legal man, he is well versed in this type of transfer. The clause relates largely to facilitating the transfer of shares. It may be that a person cannot get the completion of the necessary document before the transfer is made, say, on the eve of a dividend being declared. The purchaser would get the dividend, rather than the previous owner, in whose name the document would still be registered. In such cases the original owner is under the disability of having to get his dividend back from the new buyer. I do not think that this provision will affect my company. If there is any substance in the point, I seek the co-operation of the Minister in having the position tidied up in another place.

Clause passed.

Clauses 99 to 138 passed.

Clause 139—"Articles as to right to demand a poll."

Mr. SHANNON: This clause obviously is to deal with the type of company which, after all, this uniform law was largely designed to meet. Some companies' articles have in the past been used—quite improperly—as a shield to protect them at their annual general meetings from the wrath of their shareholders. In my view the terms of this clause cover that point and will protect the investing public from companies which, perhaps, try to hide something that they should not hide or keep their stocks up or down for reasons of their own. Shareholders have sometimes been kept in the dark. I am concerned about the provision that only five members can demand a poll and put a company to considerable expense although the vast majority of shareholders would not want a poll.

The Hon. G. G. PEARSON: The Assistant Parliamentary Draftsman stresses that this clause is designed to protect the rights of shareholders, and in that respect the limitation to not less than five members is valuable.

Mr. SHANNON: The next paragraph refers to one-tenth, which seems a more reasonable approach.

The Hon. G. G. PEARSON: The honourable member's remarks will be noted.

Clause passed.

Clauses 140 to 147 passed.

Clause 148—'Minutes of proceedings.'

Mr. MILLHOUSE: This clause increases substantially the penalty provided in the existing Act from £20 to £100. The penalty for default after conviction is increased to £10 a

day. In nine cases out of 10 such offences would be due to inadvertence. Even in the tenth case, how could it be a criminally prejudicial offence? Can the Minister explain this sharp increase in penalties?

The Hon. G. G. PEARSON: Investigations into malpractices of companies have revealed that a contributing factor has been a neglect to keep proper minutes. In an attempt to remedy this situation it has been deemed desirable to increase the penalties.

Mr. Millhouse: They have been increased considerably.

The Hon. G. G. PEARSON: Yes, although not so much when one considers the change in money values. Investigations have revealed that the keeping of complete minutes and proper records is an important factor in restricting improper practices. I suggest that the Committee accept the clause.

Mr. MILLHOUSE: When I queried a penalty increase in an earlier clause I did not get the answer I expected. Although I endorse the Minister's explanation, I suggest that in this clause the penalty has been considerably increased from £20 to £100, and the default penalty from £2 a day to £10 a day. There would have to be default for many days to cover the amount of the proposed fine.

Clause passed.

Clause 149 passed.

Progress reported; Committee to sit again.

#### ADJOURNMENT.

At 4.52 p.m. the House adjourned until Tuesday, October 9, at 2 p.m.