

HOUSE OF ASSEMBLY

Tuesday, July 25, 1967

The SPEAKER (Hon. L. G. Riches) took the Chair at 2 p.m. and read prayers.

QUESTIONS**EDUCATION GRANT**

Mr. HALL: Today it is reported that the Government will provide foundation grants to establish libraries in schools which have opened this year or which will open in the future. The grants are to be up to \$800 for a primary school and up to \$1,000 for a secondary school. It is also announced that the Government will provide funds to establish grassed ovals and to provide reticulation systems to water those areas. Can the Minister of Education say whether the Government intends to confine the ambit of those grants to schools that have opened this year or will open in the future, or whether the ambit will be extended to include existing schools that need the amenities referred to?

The Hon. R. R. LOVEDAY: When there is a change of policy there must be a starting point at some time and, in this case, the starting point decided on was February of this year. Schools that do not come within the category referred to receive, under our fair allocation subsidy scheme, special consideration for major projects in the allocation of their subsidies. However, it is not intended to bring schools that are outside of the period to which I have referred within the scope of the new policy.

UNLEY DRAINAGE

Mr. LANGLEY: Has the Minister of Lands, representing the Minister of Roads, a reply to my recent question about flooding in the North Unley area?

The Hon. J. D. CORCORAN: The Minister of Roads reports that a sewer is being constructed by the Engineering and Water Supply Department in the south park lands. Some minor alterations to open drains, where the sewer crosses them, were necessary, the work being performed in collaboration with the Adelaide City Council. There will be no effect on the quantity of flood water reaching the North Unley area.

STIRLING BEAUTIFICATION

Mr. SHANNON: Can the Minister of Lands, representing the Minister of Roads, say what plans are in mind, when the road building

programme is completed, for beautifying the area that has been laid waste between Measdays and Stirling?

The Hon. J. D. CORCORAN: I shall be happy to confer with my colleague and obtain the information for the honourable member.

INDUSTRIAL STOPPAGES

Mr. MILLHOUSE: It was reported in this morning's newspaper that at lunchtime today the stoppages planned by the Australian Council of Trade Unions would take place and that there would be mass meetings at, I think, the St. Clair Youth Centre, Woodville, and at Whyalla. In answer to a question I asked a few weeks ago the Premier said that the Government was always informed by the Trades and Labor Council of stoppages and that the Government always used its good offices to conciliate and to see that stoppages were minimized. Can the Premier say whether, in fact, the stoppages have taken place and, if they have, what action the Government took in the exercise of its good offices to prevent the stoppages taking place, in view of the damage that they will do to our economy? Also, can he say why, if the stoppages have gone on, his good offices have failed?

The Hon. D. A. DUNSTAN: The Government has been informed by the Trades and Labor Council of intended stoppages today. These stoppages are a result of decisions taken federally by the bodies concerned; therefore, it is not in the hands of the Government of South Australia to alter a decision of this kind. Indeed, although we try to minimize any disruption of work in South Australia where that is possible, naturally enough the Government has every sympathy with the protests of workers about decisions against which they happen to be protesting.

Mr. Millhouse: Do you support the workers in this case?

The Hon. D. A. DUNSTAN: Mr. Speaker, I am replying to this question. At a later stage the honourable member can place his own interpretation on what I say if he chooses, but he is not putting words into my mouth. We have been in communication with the Trades and Labor Council and have tried to negotiate to see that there is a minimal disruption of work in industry in South Australia where this is possible to arrange, but at the same time it is not, in our view, the duty of Government to deny to working people in South Australia their right to protest against decisions which are adverse to them and which will in the future, on present indications, affect them adversely.

SCORPION SPRINGS LAND

Mr. NANKIVELL: Some weeks ago I addressed to the Minister of Lands a letter from Mr. Dick Schiller, of Pinnaroo, in relation to an area known as Scorpion Springs, which is situated in what was a pastoral lease south of Pinnaroo in County Chandos. Mr. Schiller drew attention to the fact that this was an historically interesting area from the point of view of the district and, in view of the Government's intention to resurvey the area, it was suggested that the Government might consider making an area around Scorpion Springs into a reserve. Has the Minister considered the matter and, if he has, can he report to the House?

The Hon. J. D. CORCORAN: First, we appreciate the interest shown by Mr. Schiller and the honourable member in this matter. The department intends to set aside a substantial area at Scorpion Springs but no firm decision has been taken as to the boundaries. However, this will be done. It is sufficient at this stage to say that a substantial area will be reserved, and Mr. Schiller's fears may be allayed by my saying that we shall not disregard the interest that he and other people have in this area.

PRAWN FISHING

The Hon. G. G. PEARSON: The establishment of commercial prawn fishing in South Australian waters has been considered by Ministers of Agriculture for some time, but departmental experts have been somewhat sceptical about establishing this type of industry because South Australian gulf and coastline waters do not resemble, in many essential respects, the waters in which prawn fisheries have been successfully established on other parts of the Australian coastline. For that reason the advice given to Ministers has indicated considerable doubt as to whether such fisheries could be established. This matter has again arisen recently, and reported statements by interested people at the weekend suggest that the Government may carry out further investigations. As much time and great cost are required to obtain a research vessel to investigate this possibility, can the Minister of Agriculture say whether this question has been reconsidered, and whether the Government will favourably consider hiring or leasing a fully equipped vessel for this purpose, perhaps from another State, in order to do some work in South Australian waters to obtain further factual information on the possibility? I remind the Minister that this

was done before the tuna industry was established, when the Government of the day obtained the assistance of oversea experts—

The SPEAKER: I think the honourable member is giving reasons.

The Hon. G. G. PEARSON: I was pointing out that, in the past, the assistance of experts had been obtained. Will the Government consider such action in the case of establishing a prawn-fishing industry?

The Hon. G. A. BYWATERS: Some days ago my attention was drawn to a statement concerning the possibility of prawn fishing around Port Lincoln. I have called for a report, and when I have it I will inform the honourable member. At present, I am without the assistance of a Director of Fisheries because the former Director has accepted an appointment with the Food and Agriculture Organization in India, and this places me at a slight disadvantage. I have considered this matter and, as the honourable member said, the prospects as portrayed to me and my predecessors indicated some doubt about the feasibility of the scheme. I intend to have a further investigation made and I will consider the aspect of chartering a suitable vessel. The *Investigator*, owned by the department, has been laid up for some time. Although it is necessary to slip the vessel and have it surveyed before it can put to sea, it is intended that this vessel shall be used for some type of fishing research. Whether it is suitable to investigate the possibility of establishing a prawn-fishing industry will be considered, in addition to other appropriate matters.

Mr. NANKIVELL: Some years ago I spoke to a Mr. Scott who was then a professional fisherman at Port Lincoln. I understand that he had been commissioned by the South Australian Fishermen's Co-operative Limited to make private investigations into the possibilities of prawn fishing in Spencer Gulf. Mr. Scott told me that there were prawns. He also reported that the *Investigator*, in carrying out routine work of this nature to establish whether or not there were prawns, had trawled during the daytime. Can the Minister of Agriculture say in his report whether it is a fact that prawns crawl at night, whether the *Investigator* did, in fact, trawl during the daytime, and, if it did, whether this may have resulted in an unfavourable report being made about this matter?

The Hon. G. A. BYWATERS: I will refer the honourable member's remarks to the department, along with those made by the member for Flinders, and bring down a reply.

BIRDWOOD HIGH SCHOOL

Mrs. BYRNE: Can the Minister of Works say when the painting of the Birdwood High School by the Public Buildings Department is expected to be completed?

The Hon. C. D. HUTCHENS: I shall inquire for the honourable member.

FISHING REGULATION

The Hon. D. N. BROOKMAN: As the *Government Gazette* of Thursday last shows that the use of nets in certain waters around Venus Bay has been prohibited, will the Minister of Marine (as Chairman of the Select Committee that is inquiring into all aspects of the fishing industry) say what were the committee's deliberations and recommendations in this respect?

The SPEAKER: That question is not permissible. The honourable member will realize that neither the Chairman nor any other member of the Select Committee is at liberty to divulge any information before the committee's report is made.

The Hon. D. N. BROOKMAN: This relates to an amended regulation under the Fisheries Act the subject matter of which is specifically included in the Select Committee's terms of reference. Is it in order to make a regulation without informing the House of the committee's recommendation in this respect?

The SPEAKER: The committee is still sitting and, until it presents its report, it is not proper to divulge any discussions or deliberations of the committee. The regulation to which the honourable member refers could have been gazetted whether the committee was sitting or not.

The Hon. Sir THOMAS PLAYFORD: On a point of order, if the committee has made a recommendation on this matter to the Government, and if the Government has acted on that regulation, surely the information should be available to members who appointed the Select Committee.

The SPEAKER: The report of the Select Committee will be made to this House, not to the Government. Until that report is made, it is not competent under Standing Orders for any member of the committee to divulge discussions that have taken place within, or decisions that have been made by, the committee.

The Hon. D. N. BROOKMAN: Is it in order for the Government to make regulations on a subject in respect of which the Select

Committee has been specifically set up, without a report on the matter being made by the committee?

The SPEAKER: In my opinion (and this is subject to correction) the fact that the inquiry is being held does not prevent the Government at any time from gazetting regulations, within the powers that Parliament has already given.

Mr. CASEY: In view of the honourable member's insistence on obtaining information regarding the Select Committee, will he say why he resigned from it?

The Hon. D. N. BROOKMAN: I outlined my reasons for resigning fairly fully at the time, and I stated my views in this House regarding the committee. However, to refresh the honourable member's mind: I had considerable reservations about the appointment of the Select Committee in the first place because its terms of reference were so wide that, in my opinion, the services of a special commissioner or investigator with professional qualifications and considerable experience were needed to discuss the management of fisheries and many other matters. In addition, many matters were to be decided simply as a result of departmental advice. I believed that the committee was being established so that the Minister could avoid making decisions for himself; in other words, the committee was established to provide a political solution to the Minister's problems. For a short time, with my colleague (the member for Flinders), I sat on the committee. However, after we had given the committee a fair trial and seen what was involved in it, we decided that the terms of reference were too wide for a Select Committee to consider. For that reason we resigned from it. We gave the reasons to which I have referred in a letter to the Minister that has been read before in this House. I am sure that my view on the matter is correct. The fact that last week Executive Council altered a regulation dealing with netting in the Venus Bay area indicates to me that, in many respects, the appointment of the committee was a sham from the beginning; although we gave it a fair trial, it was found wanting.

SCHOOL ATLASES

Mr. McANANEY: I was approached by a lady last evening who said that her child, a grade 4 student, was studying social studies, for which certain geographical knowledge was required. However, as atlases are not issued to schoolchildren until they reach grade 5, and

as I have been asked whether they might be made available at grade 4 level, will the Minister of Education inquire?

The Hon. R. R. LOVEDAY: Not being conversant with the point raised by the honourable member, I shall inquire and inform him in due course.

PORT PIRIE SCHOOL

Mr. McKEE: Will the Minister of Education ascertain when repainting and maintenance work is likely to commence at the Port Pirie Primary School?

The Hon. R. R. LOVEDAY: I shall be pleased to obtain that information.

POWER GENERATION

Mr. COUMBE: Has the Minister of Works a reply to the question I asked last week regarding the Electricity Trust's proposal to construct an off-peak pumping station on the south coast or, alternatively, to use gas turbines?

The Hon. C. D. HUTCHENS: The Electricity Trust has decided that after the completion in 1971 of the first section of Torrens Island power station, it will install some gas-turbine power-generating plant. This would be the first occasion on which South Australia would depart from the conventional use of steam turbines for major power generation. It is likely that between 100,000 and 200,000 kilowatts of gas-turbine plant will be installed but a decision on this need not be made yet because delivery and erection periods for gas-turbine plant are much shorter than for steam plant. The amount of plant required will therefore be determined later, in the light of the most up-to-date figures for rate of growth of demand for electricity. The gas turbines will be used for peak load duty for which they are most suited. The Port Augusta power station and Torrens Island power station will still cover the heavy continuous loads and the gas turbines will be used at peak periods. The capital cost of gas-turbine plant is appreciably cheaper than steam plant although the efficiency is somewhat less. With the plant confined to peak load duty, there will be an appreciable saving in overall costs.

Before arriving at this decision, the Electricity Trust had made a general study of the use of peak load plant in relation to conventional plant. An alternative scheme would be the construction of an artificial hydro-electric scheme on the south coast. This would be arranged to pump water to a high level reservoir during the night and use it

again to generate power during the peak load hours of the day. Such a pumped storage scheme, although attractive in many respects, requires appreciably more capital expenditure than gas-turbine plant. For this reason gas turbines were preferred at this stage. A gas-turbine power-generating unit could use natural gas as a fuel but could also operate on oil. The name "gas turbine" has been in use for many years to distinguish it from a steam turbine and does not arise from any connection with natural gas. Last year the Central Electricity Generating Board of Great Britain installed over 700,000 kilowatts of gas turbines on its power system. Other large electricity undertakings in Australia are considering the use of gas turbines but none is yet installed.

BUILDING INDUSTRY

Mr. MILLHOUSE: In last Saturday's press there appears a news item to the effect that of all the States South Australia was the only one in which approvals for the building of new houses and flats fell in the last financial year, and figures are set out showing that there was, in fact, an increase in every other State. In view of the gravity of the situation which these figures underline and which has been discussed before in the House, can the Premier say whether, even yet, he is in a position to announce his proposals for relieving the building industry in South Australia?

The Hon. D. A. DUNSTAN: The honourable member knows very well that I have already announced a number of proposals. I have already told him that when the negotiations concerning several proposals are complete I will make a public announcement. He is simply making himself foolish.

RESEARCH CENTRES

Mrs. BYRNE: On July 18, in reply to my question, the Minister of Agriculture said that Cabinet had approved a 40-hour week for employees at Turretfield Research Centre at Rosedale and also to the daily-paid employees of all departmental research stations. Can the Minister say how many employees will benefit from the action of the Government and where they are employed?

The Hon. G. A. BYWATERS: The total number will be 64 and they are employed as follows: Turretfield, eight; Minnipa, five; Kangaroo Island, eight; Kybybolite, eight; Struan, two; Wanbi, five; Parafield Poultry Station, nine; Northfield Research Centre, seven

(giving a total of 52 from the Agriculture Department); and Roseworthy Agricultural College, 12.

NON-WETTING SANDS

The Hon. D. N. BROOKMAN: Can the Minister of Agriculture give me information regarding so-called non-wetting sands? Can he indicate the extent of the soils; the cause of the non-wetting characteristic; the economic effects; whether counter measures can be taken; whether unaffected soils develop this characteristic; and whether any other relevant information (including research measures being taken) is available?

The Hon. G. A. BYWATERS: Regarding the extent of these soils, the property of water repellence is associated with siliceous sands of very low clay content. In South Australia, these soils occur in the Upper and Lower South-East, in the Yurgo-Gurrai area of the Murray Mallee, on Eyre and Yorke Peninsulas, on Kangaroo Island, near Mount Compass in the Adelaide Hills and in parts of the Murray River irrigation areas. The soils of the Upper South-East extending from Meningie northward to Lameroo appear to be most extensively affected but reports of non-wetting sands have been received from all the above localities, particularly central Eyre Peninsula. In the higher rainfall areas of the State the problem is only noticeable in very dry seasons. As to the cause of the non-wetting characteristic, the cause of water repellence is primarily an organic waterproof film on sand grains which is produced by various soil fungi. A large number of these organisms have been shown to produce these water-resistant materials. The films are persistent in sandy soils probably because conditions do not favour bacterial decomposition. Sandy soils may be affected to a depth of two feet or more, and rain falling on the surface of these soils can only penetrate through narrow channels leaving considerable areas quite dry. Plant germination and growth on these areas is delayed and slow and herbage dries off prematurely.

Regarding economic effects, although it is certain that considerable loss of production from pastures and crops occurs on water repellent soils, so far it has not been possible to establish with certainty, by controlled experiments, the actual reduction which occurs. In seasons without a well defined break, in which rain falls mainly as scattered showers, it is believed that pasture production could be reduced by 50 per cent or more on the most

badly affected areas. More commonly, estimated reductions are of the order of 20 per cent or less. Cereal production can be badly affected on limited areas. Regarding counter measures which can be adopted, no fully satisfactory control can be recommended. Better water penetration is obtained by cultivation when the soil surface is wet. In reply to the question whether unaffected soils develop this characteristic, all virgin siliceous sandy soils in the areas described are water repellent to some extent. A reduction in the non-wetting property occurs with clearing and initial cultivation, probably owing to the destruction of the particular group of soil organisms concerned. Water repellence develops again, particularly under pastures, because of the proliferation of different fungi. There is evidence that some species of pasture plants favour the development of the property more than others. Again, the incidence of the non-wetting characteristic may vary with seasonal conditions. Developed areas not yet showing the problem are unlikely to become affected.

Regarding any other relevant information, including research measures being undertaken, Mr. R. Bond of the Commonwealth Scientific and Industrial Research Organization Soils Division has carried out field and laboratory work on this problem over the last eight years. Research is at a stage where intensive field plot experiments are required. At present Mr. K. Woodroffe of the soils branch of the Agriculture Department is working with Mr. Bond in field experiments with the objective of measuring the loss of pasture production owing to water repellence, and to determine the effectiveness of cultivation treatments. Mr. Bond is continuing laboratory work to identify the organic substances concerned. There has been little significant investigation elsewhere in Australia or in the world on this problem.

GRAPE VARIETIES

Mr. FREEBAIRN: My question deals with new varieties of winegrape vines. Since the turn of the century the importation of grape vines to South Australia has been prohibited under our well policed phylloxera regulations. I understand that in recent years the Agriculture Department, under strict quarantine, has imported several new varieties of winegrape vines. I also understand that the department has tested them and is about to release them in South Australia for commercial production. As I realize that the Minister of Agriculture may not have the names of these varieties at

his fingertips, will he ascertain the names of the varieties, their characteristics, and when they will be available?

The Hon. G. A. BYWATERS: A short time ago I made an announcement about this matter but the honourable member will appreciate that my memory is not good enough to enable me to remember offhand the names of the varieties. I shall obtain that information for him.

STRAYING CATTLE

Mr. RODDA: I have received from the District Council of Penola a letter about straying stock and have been requested to place the matter before the Minister of Agriculture. The letter states:

You are no doubt aware of the problem caused by cattle owned by a certain landowner in the hundred of Comaam. The gentleman's stock have for years created a traffic hazard by grazing day and night on roads in the district. Many accidents have occurred, causing extensive damage to many vehicles. The local police have never been able to prove ownership of the stock, because they are unbranded. Similarly, legal action has not been possible by the motorists concerned. Council has prosecuted this man on several occasions, following impounding of stock, for having cattle at large in a public street or place.

The council goes on to say that it cannot enforce fencing on rural properties, and then states:

They have been straying for miles and children on the eastern side of our district have been frightened to walk from their homes to catch school buses. One landowner when attempting to drive the cattle away from his property was attacked by a bull and spent nearly two hours on the ground beneath his vehicle before venturing out.

Will the Minister of Agriculture take this matter up with a view to obtaining information about it?

The Hon. G. A. BYWATERS: If the honourable member makes the letter available to me, I shall have the matter investigated.

INTAKES AND STORAGES

The Hon. Sir THOMAS PLAYFORD: Can the Minister of Works say what is the present programme in regard to the pumping of water from the Murray River to Adelaide?

The Hon. C. D. HUTCHENS: At present four pumps are operating full time.

The Hon. Sir Thomas Playford: Not the fifth one?

The Hon. C. D. HUTCHENS: No.

The Hon. Sir THOMAS PLAYFORD: The Minister of Works made a statement, which is reported in this morning's *Advertiser*, that

he desired everyone to exercise the utmost care when using water. He was reported to have said that the catchment area was now in a good condition and that further rain would cause a run-off into the reservoirs. I live in the catchment area, and I do not know where the Minister obtained his information, as the catchment area is still extremely dry. Will the Minister ascertain urgently whether the additional pumping plant available to the Government on the Murray River should not operate immediately to ensure that adequate water is available to the metropolitan area next season?

The Hon. C. D. HUTCHENS: Because of the urgent necessity to supply consumers with an unrestricted water service (which is the Government's desire), a committee has been appointed to watch the position closely. Tomorrow morning I will discuss the matter with the Director and Engineer-in-Chief, who is having the committee examine the need for all pumps to operate for the reasons stated by the honourable member.

Mr. McANANEY: In view of the report that there is little snow on the Australian Alps, and that the rainfall in the Murray River catchment area is below normal, will the Minister of Works obtain a report on the holdings of reservoirs in the upper part of the Murray River?

The Hon. C. D. HUTCHENS: As the member for Chaffey also raised this matter with me recently, I shall be happy to obtain a report for the honourable member and inform him when it is ready.

Mr. FREEBAIRN (on notice):

1. What is the maximum recorded daily water consumption in the Warren water district?

2. How many gallons of water a day can be fed into the Warren reservoir from the Mannum-Adelaide main?

The Hon. C. D. HUTCHENS: The replies are as follows:

1. The maximum recorded weekly flow in the Warren trunk main occurred during the week ended February 9, 1967. The average maximum daily consumption during this week was 10,550,000 gallons a day.

2. The boosted capacity of the branch main to Warren reservoir from the Mannum-Adelaide main is 4,200,000 gallons a day. The present storage in Warren reservoir is 446,000,000 gallons and full boosting of the branch main has been in progress since April 6, 1967, to ensure adequate storage for the coming summer. Bearing in mind the current position

regarding natural intake, a further step was taken this week to reduce draw-off to the northern region from Warren; Upper Paskeville reservoir is now being fed from the Bundaleer trunk main where adequate capacity exists at this time of the year. Maximum flow to Bundaleer is, of course, also being maintained from the Morgan-Whyalla main.

The current storage in Warren reservoir of 446,000,000 gallons compares with 270,000,000 gallons last year. At this stage it is intended to boost to Warren reservoir throughout 1967-68 and during this time a quantity of over 1,450,000,000 gallons can be delivered which is slightly more than the full capacity of the reservoir.

EASEMENT PAYMENTS

The Hon. G. G. PEARSON: When the Electricity Trust constructs a powerline across private property, it invariably negotiates with the landowners about easements and makes payments therefor at the earliest opportunity after the easements have been taken up. I am told that, in respect of the recently completed powerline between Whyalla and Port Lincoln, some landowners have been paid the amounts due for easements under contractual arrangements but others have not. Because in some cases the amounts involved are substantial, will the Minister of Works take up this matter with the trust with a view to having these matters finalized soon?

The Hon. C. D. HUTCHENS: I shall be happy to do that.

WIND DAMAGE

Mr. McANANEY: As the Minister of Agriculture doubtless knows, my district and his were severely damaged by wind last Sunday week. The records show that the recent period of about seven months has been the driest on record. Will the Minister ask the committee assessing drought relief to consider this area when it is making recommendations? Also, can he say what is the deadline for submission of the committee's report?

The Hon. G. A. BYWATERS: The committee that was formed last week has already held two meetings and this week the members have gone to the Loxton area to attend a meeting at Wunkar this evening. On the way there the members met Mr. Williams, the district Agricultural Adviser, and looked at some of the storm damage that occurred last Sunday week. The honourable member was perfectly correct in that this would be possibly the worst day in the history of South

Australia in regard to the damage that occurred in his district and in my district. Visibility was reduced to a minimum, much wind erosion took place, and it will take a long time to repair the extensive damage. I understand that a meeting, to which some other members and I have been invited, will be held at Summerfield this evening. As I have had to decline the invitation because of my obligations in the House, I have asked Mr. Williams to represent me at the meeting and to gather as much information as possible to enable the committee to decide the best way for help to be given. The committee has no deadline on its activities because, as the member will appreciate, some people at this stage have not been badly affected, although the position could change by the end of the season. I assure the honourable member that the matter is being considered and the committee would have investigated that area this morning to see firsthand, as I have already seen, the damage that has been caused.

ABORIGINAL WOMEN'S HOME

Mr. CUMBE: Has the Minister of Aboriginal Affairs a reply to my question of last week about the Aboriginal Women's Home in Sussex Street, North Adelaide?

The Hon. R. R. LOVEDAY: At present, the number of inmates in the home consists of five adults and 14 infants and children. The daily average over the past six months has been 5.6 adults and 12.3 infants and children. The staff consists of two Aboriginal nursing sisters, two non-Aboriginal nurse attendants, and six Aboriginal domestics.

INTERSTATE BOUNDARY

Mr. RODDA: As I understand that the question of the boundary between South Australia and Victoria, adjacent to the coastline, has not been resolved (although there is much interest in this point), can the Premier say whether further discussions have taken place with the Victorian Premier (Sir Henry Bolte) in order to resolve this issue?

The Hon. D. A. DUNSTAN: Discussions have been held and negotiations are proceeding.

LUCERNE WILT

The Hon. D. N. BROOKMAN: As I told the Minister of Agriculture that I would ask this question, has he a report about lucerne wilt, particularly the description of the disease; the type and age of plants it affects; the possibility of the wilt being present in South Australia now and of its entering in the future;

any legislative action that has been taken; any action that will be taken if it affects South Australian pastures; the maximum effect of the disease; and other relevant information?

The Hon. G. A. BYWATERS: I thank the honourable member for giving me notice so that I could obtain the following information.

1. The disease is caused by a bacterium *Corynebacterium insidiosum*, which enters lucerne plants through wounds of roots or top growth, causing a systemic infection. The main means of carryover is by old diseased lucerne plants. Infection can spread throughout a paddock from one old diseased plant by cutting implements, grazing stock, or surface run-off water. The organism can remain infective in dry hay for up to 10 years and can also survive on diseased plant residues within the soil for several years. Plants in an advanced state of infection become stunted and yellow as a result of blocking of the conducting tissues by the bacteria. Seed yields are drastically reduced. The disease can be spread by infected seed and although usually a very small proportion becomes infected this is nevertheless an important means of dissemination. Under the right climatic conditions an irrigated stand can be rendered unproductive in three to four years.

2. Alternate hosts include *Medicago falcata* and *Melilotus alba* (sweet clover). Other hosts of the *Medicago* genus have been recorded but the full host range of the Victorian isolates is not known. This is being investigated by the Victorian Agriculture Department at Burnley Plant Research Institute. Hunter River, Du Puits, and African varieties of lucerne are highly susceptible. Plants can become diseased from a seed-borne infection as well as from the soil or by direct inoculation from a diseased to a healthy plant, and plants of any age can become infected.

3. Surveys conducted by district agricultural officers throughout the State forwarding suspect lucerne specimens for diagnosis over the last 15 months have not revealed the presence of the disease. The disease is thought to have been present in Victoria for 15 to 20 years. As the disease is highly infectious, survives for long periods in dry hay, and can be spread by seed, one would expect the possibility of finding it in South Australia fairly high. However, certain barriers exist which may have limited its spread, such as climate and the fact that little Victorian lucerne hay and seed enter South Australia. At the present time little is known of the conditions favouring its development in Victoria except that it

requires high moisture conditions usually from irrigation. The disease occurs in the East Gippsland and Goulburn Valley areas, but surveys have only recently been instigated to determine the full event and economic importance of the disease in Victoria.

4. If the disease has not reached South Australia from Victoria over the past 15 to 20 years it would seem that there is a good probability of keeping it out by employing quarantine measures.

5. Under the Vine, Fruit, and Vegetable Protection Act, an embargo has been imposed on lucerne hay and seed coming from Victoria, and a proclamation is to be issued soon on this matter.

6. A further step is the testing of resistant varieties which the Victorian department is greatly concerned with at the moment. Some varieties tested and found resistant to local isolates in Victoria will be used in breeding programmes, and it is hoped that some may be able to immediately replace Hunter River.

7. In areas where the disease occurs, lucerne stands under irrigation and intensively managed for hay production are those most likely to be seriously affected. In East Gippsland many farmers have been forced out of lucerne growing. Infection in dry land stands can occur, but spread is slow and deterioration and losses less spectacular. About 2,000,000 acres of lucerne are sown down for various purposes in South Australia. Most of this is under dry land conditions where losses to each grower may not be serious but, collectively, over the State, these could be considerable if the disease became established here. The lucerne seed industry worth \$1,000,000 annually, and with great potential for developing local and overseas markets, would probably suffer most. At the present time we enjoy the reputation of producing high-quality seed which is much sought after and are able to certify our seed free of a number of diseases including bacterial wilt for overseas markets.

CORIO BY-ELECTION

Mr. LAWN: Last Saturday, the electors of Corio returned the Australian Labor Party candidate to the House of Representatives. It is the first time the Government has been defeated in this district for 18 years. Does the Premier believe that the many unemployed in Victoria, and the continual increase in their number, affected the result?

The SPEAKER: I doubt very much whether that question has to do with the business of this Parliament, and I rule it out.

MOUNT BURR MILL

Mr. HALL: Has the Minister of Forests a reply to the question I asked last week about activities at the Mount Burr mill in the South-East?

The Hon. G. A. BYWATERS: The closing of the case mills at Mount Burr coincided with the installation of a modern bandsaw plant which started operations in November, 1966. This project was not unduly delayed, nor was it hampered by lack of finance. Apart from a small drop in female labour, no retrenchments were necessary, nor were any salary reductions made. At the time the question was asked, I asked my colleague the Minister of Lands, who represents the district, why, if the report were true, he had not brought it to my notice. However, he told me that, although he had an intimate knowledge of the activities at Mount Burr, he had not been informed of this matter, and he believed that what had been suggested was not correct. Indeed, the reply I have given confirms that belief.

OLD BELAIR ROAD

Mr. MILLHOUSE: A couple of weeks ago I asked the Minister representing the Minister of Roads about two bends in the Old Belair Road at Torrens Park, and he was kind enough to get me the information I sought. It has now been drawn to my attention that the Mitcham council, which controls the Old Belair Road (as the Minister so rightly reminded me in his answer), has approached the Highways Department regarding the reconstruction of the entire length of the Old Belair Road between Blythwood Road, Mitcham, and Florence Terrace, Belair. In view of the obvious desirability of having this work done (something for which I have often pressed in this House over the years) will the Minister of Lands ask his colleague to ascertain the Highways Department's plans concerning the reconstruction of the Old Belair Road?

The Hon. J. D. CORCORAN: Yes.

GAS

Mr. CUMBE: Has the Premier a reply to the question I asked him several weeks ago concerning plans to move drilling from Moomba to a site about 45 miles away?

The Hon. D. A. DUNSTAN: As at July 17 last, the report of the Director of Mines was that the Delhi-Santos group was at that time moving the drill rig and associated equipment from the Moomba field north-westerly (a distance of about 50 miles) to drill a well to be called Kalladeina No. 1. The well was

testing a new structure for hydrocarbons. Further drilling would be required on the Moomba structure in the area surrounding Moomba No. 5 well to establish the gas reserves available in that portion of the field. I believe, in fact, that the rig has been spudded in at the new site.

PETROL

Mr. MILLHOUSE: Late last week Mr. George Manuell, who is known to the Premier and me, contacted me regarding the control over the retail price of petrol and subsequently had sent to me a copy of the *Motor Trade Journal* for this month and directed my attention to the following paragraph:

For the information of our members, full details of the chamber's submission—

that was made to the then Premier (the honourable gentleman's predecessor)—

which resulted in a marginal increase of .4 cents a gallon on both grades of petrol being granted on May 12 is printed on the following pages. In view of the fact that the increase fell far short of the figure sought by the Chamber's representatives a further submission has been made to the Premier, the Hon. D. A. Dunstan, Q.C., LL.B., and is at present under consideration.

As I understand that some considerable time has elapsed since the submission was made for a further increase, can the Premier make an announcement on the matter?

The Hon. D. A. DUNSTAN: I indicated at the time of the submissions made to me that I sympathized with the "difficult position in which some petrol resellers were from time to time", but I also pointed out to them that it was essential for South Australia to maintain a low cost structure and that it was not possible for us to maintain markets for South Australian products if the prices of supplies to South Australian consumers went up. I also said that, whilst I would have a re-examination made of the matters submitted to me, I held out little hope to the petrol resellers' organization (the Automotive Chamber of Commerce) that at this stage we could consider an increase in retail margins. Resellers indicated to me that they appreciated the problems of the Government and of the community, just as I had indicated to them that I appreciated their problems. I did give them undertakings to look at certain other matters and I said this one would be reconsidered. It has been passed on to the Prices Commissioner; but no decision has been taken by the Government for any alteration.

BELLEVUE HEIGHTS SCHOOLS

Mr. MILLHOUSE: Last night I attended, at the Blackwood Primary School in my district, a meeting that had been called to consider forming a provisional committee for a new school at Bellevue Heights, just to the west of Eden Hills. In fact, that committee was formed after I had given the meeting certain information that I obtained from the office of the Director-General regarding the department's plans to establish a primary school at Bellevue Heights. The two matters I desire to raise with the Minister of Education as a result of the meeting are as follows: first, will he obtain any better information than the estimate of two to three years before the school will be in use (which Mr. Walker's office was kind enough to give me); and, secondly, will he ascertain whether the department has plans to establish a high school in the Bellevue Heights area eventually?

The Hon. R. R. LOVEDAY: I will try to obtain the information for the honourable member.

RENMARK SEEPAGE

The Hon. Sir THOMAS PLAYFORD: I have read a report to the effect that it is intended to install a seepage system in the Renmark area and to impound seepage waters on an island. That indicates to me not only that this will take place on or close to the river but also that the matter may require close attention before work commences. Has the Minister of Works any knowledge of this project? Does he know whether officers of the Engineering and Water Supply Department have considered it and whether they can guarantee that at no time will brackish water be discharged into the Murray River?

The Hon. C. D. HUTCHENS: Having no personal knowledge of the matter, I will inquire, and inform the honourable member when a report is to hand.

HOSPITALS

Mr. MILLHOUSE: From time to time during the last couple of years the matter has been raised in this House and elsewhere of the teaching hospital for Flinders University, as well as of the erection of a hospital at Modbury. Over the weekend I have had further representations on this matter, especially on the necessity to have a teaching hospital ready for Flinders University by, I think, 1972, when medical students at the Flinders University will be entering their clinical year. Will the Minister of Social Welfare ascertain from his colleague what progress has been made in the

last few years on the plans for the teaching hospital at Flinders University, and whether it is to take priority over the hospital for Modbury? Further, have plans yet been submitted, and has the matter been referred to the Public Works Committee for report?

The Hon. FRANK WALSH: The answer to the last portion of the honourable member's question is "No". Concerning the question of priority, Modbury will take precedence of the south-western districts hospital. In case the honourable member is not aware, the Playford Administration negotiated to buy land prior to 1965, and the Walsh Government, on taking the matter from there, found that it would have to pay \$10,000 an acre to obtain land from Mr. Laffer on the South Road. However, after the land was acquired, it was found that a fault ran through the middle of it from east to west, so there will be an exchange—

Mr. Millhouse: Did your Government buy the land?

The Hon. FRANK WALSH: We had to pay for it, and we had to go to \$10,000 an acre. The south-western districts hospital will now be erected near the site at Bedford Park previously occupied by the tuberculosis hospital. As the honourable member has virtually guessed the Government's proposals, he can take it for granted that the erection of the hospital will coincide with that of the medical school at Flinders University.

METROPOLITAN DRAINAGE

Mr. COUMBE: Last Friday, the Minister of Local Government convened a meeting to deal with the subject of metropolitan floodwater drainage, a problem on which I have asked questions in this House. On this occasion he called together mayors and chairmen of local councils to prepare an overall plan for the drainage of the metropolitan area. However, the only information this House has is what has appeared in the newspapers and, as this is such an important matter, I ask the Minister of Lands to obtain from his colleague a report, as quickly as possible, giving full details of what was determined at that meeting. In particular, could he indicate the method of determining priorities and of financing this scheme?

The Hon. J. D. CORCORAN: I shall be happy to confer with my colleague and obtain the information the honourable member has requested. I believe that the organizations involved were grateful to the Minister for having convened the conference and that they accepted the Government's proposals.

BLACKWOOD ORCHARD

Mr. MILLHOUSE: Several times, and as lately as last week, I have asked the Minister of Agriculture, both by question and by letter, what are the plans of his department for the Blackwood Experimental Orchard. I understand that since last Thursday he has been kind enough to obtain a report on this matter, and I now ask him to give it.

The Hon. G. A. BYWATERS: No decision has been made as to the future of all the property at present used as the Blackwood Experimental Orchard. The present situation is that the Agriculture Department is progressively withdrawing from the property and establishing a new research station in the Lenswood district. By arrangement with the C.S.I.R.O. 2½ acres of apples has been committed to a co-operative research programme on pest management of pome fruits and this area of apples is to be retained for some time. An area of about three acres consisting of glasshouses, storerooms, office and working sheds still remains in use and will require to be retained. The balance of the property, comprising about 52 acres, will not be required by the Agriculture Department after it has completed the removal of irrigation pipes, drainage pipes and other similar equipment. It is expected that this will be about the middle of next year.

Mr. MILLHOUSE: I am fetching back into my memory, but I am fairly certain that, soon after he took office, the Minister announced that part of this land was to be used for the purposes of, I think, the National Fitness Council of South Australia. So far as I heard in his answer, he did not refer to that matter. There have been rumours that the land is to be sold to the Housing Trust and cut up for housing, something I would personally very much regret in that area. Can the Minister say whether or not this previous announcement regarding the use of the land for fitness purposes still stands or whether there has been a change of plan? If there has been a change of plan, is it intended that any of the land should go to the Housing Trust?

The Hon. G. A. BYWATERS: Part of what the honourable member says is true. At the time to which he referred, the National Fitness Council wrote to me, as Minister, requesting that this area be reserved for recreational purposes. However, later the council decided it could not develop the land for that purpose. In fact, on looking at the property, I thought it was unsuitable for recreational purposes because of its very steep nature. The matter

that was really considered was that it should be suggested to the Rural Youth Movement that it could use the land to establish a conference centre and playing areas. The National Fitness Council also favoured this suggestion. However, the Rural Youth Council decided against this location because it believed it was a little too far from Adelaide. Having made this decision, it was allocated a portion of land on the Northfield site on which it will establish a conference centre. I was rather disappointed that that organization did not see fit to use the Blackwood area because I believed that would have been ideal. Its members could have planted some trees, helping to take away the bareness of the hills that has been brought about in this area because of the cultivation. However, the organization did not desire to use this land and we had to respect its wishes. As yet, no approach has been made to me for the purchase of this land for housing. I know nothing of the honourable member's suggestion regarding the Housing Trust.

PATENT

Mr. MILLHOUSE: In the last two or three weeks Mr. J. A. Messer of Blackwood has contacted me on a number of occasions concerning his claim that, in the Commonwealth pavilion at Expo 67, the talking chairs being used are an infringement of a patent of his. I know that he has been in touch with the Premier, which was with my knowledge and consent. Can the Premier say what action he has taken on behalf of Mr. Messer and, whatever that action may be, whether he has had any success with this matter?

The Hon. D. A. DUNSTAN: I had some representations from Mr. Messer that I forwarded to the relevant Commonwealth Minister.

Mr. Millhouse: Who was that?

The Hon. D. A. DUNSTAN: From memory it was the Attorney-General, the Minister in charge of the Copyright Office. I sent this matter forward to the Commonwealth Government, but I have not had a reply. As the honourable member will well know, the matter is entirely in the hands of the Commonwealth Government: it is not a matter for the State Government.

TEACHERS

Mr. FREEBAIRN (on notice):

1. How many teachers, under agreement to serve the Education Department, were in departmental schools in each of the calendar years from 1964 to 1966, inclusive?

2. How many of these teachers were released from their agreements in each of these years?

The Hon. R. R. LOVEDAY: The replies are as follows:

1. 1964, 2,100; 1965, 2,300; 1966, 2,500.
2. 1964, 3; 1965, 3; 1966, 2.

AGRICULTURE DEPARTMENT

Mr. FREEBAIRN (on notice): Can the Minister of Agriculture say how many miles were travelled on Government business by officers of the Agriculture Department in each of the financial years 1964-65, 1965-66 and 1966-67?

The Hon. G. A. BYWATERS: The information is as follows: 1964-65, 1,922,080 miles; 1965-66, 1,922,274 miles; and 1966-67, 2,025,909 miles.

EGGS

Mr. FREEBAIRN (on notice):

1. How many applications for a producer selling agent's licence were received by the South Australian Egg Board in each of the financial years 1964-65, 1965-66, and 1966-67?

2. How many of these licences were granted in each of these years on:

- (a) an ungraded basis;
- (b) a restricted basis; and
- (c) an open basis?

The Hon. G. A. BYWATERS: The replies are as follows:

1. 1964-65, 100; 1965-66, 277; and 1966-67, 142.

2. (a) An ungraded basis: 1964-65, 3; 1965-66, 88; and 1966-67, 25.

(b) A restricted basis: 1964-65, 3; 1965-66, 162; and 1966-67, 103.

(c) An open basis: 1964-65, 91; 1965-66, 23; and 1966-67, 6.

SCHOOL BUILDINGS

Mr. COUNBE (on notice): What is the Commonwealth financial contribution towards the cost, and what is its percentage of the total cost of each of the following school buildings:

- (a) the Radio and Electrical Trade School, Kilkenny;
- (b) Laurel Park Technical College;
- (c) Whyalla Technical College;
- (d) Port Augusta Technical College;
- (e) Roseworthy Agricultural College; and
- (f) the proposed Northern Teachers College at Elizabeth?

The Hon. R. R. LOVEDAY: The information is as follows:

	\$	Per cent
(a) Radio and Electrical Trade School (Kilkenny Technical College)	615,000	100
(b) Laurel Park Technical College	33,000	100
(c) Whyalla Technical College	16,000	100
(d) Port Augusta Technical College	10,000	88.9
(e) Roseworthy Agricultural College	259,000	100
(f) Northern Teachers College	2,400,000	100

COMMONWEALTH SCHOLARSHIPS

Mr. COUNBE (on notice): Can the Minister of Education say what was the number and value of Commonwealth scholarships awarded in South Australia for the year 1966-67, for—

- (a) post-graduate studies;
- (b) university scholarships;
- (c) advanced education scholarships;
- (d) secondary school scholarships; and
- (e) technical school scholarships?

The Hon. R. R. LOVEDAY: The following are the details in respect of Commonwealth scholarships:

	Scholarship holders	Value \$
(a)	110	258,400
(b)	1,764	779,445
(c)	63	15,440
(d)	1,753	510,309
(e)	227	60,906

The figures given are for the total number in training under the various scholarship schemes and the total of living allowances and fees paid under them for the 1966 calendar year, as the university works in calendar years. It would not have been possible to obtain the amount paid out for new awards only, without a very considerable amount of work.

EDUCATION GRANTS

Mr. CUMBE (on notice): Can the Minister of Education say what grants were made to South Australia during the year 1966-67 by the Commonwealth Government as—

- (a) grants to universities;
- (b) grants to colleges of advanced education;
- (c) capital grants to technical schools;
- (d) grants for research facilities; and
- (e) grants for science facilities in secondary schools?

The Hon. R. R. LOVEDAY: These grants were made by the Commonwealth:

	\$
(a) For recurrent purposes, excluding research ..	3,635,000
For capital purposes ..	1,296,000
For residential colleges ..	113,000

These figures include grants on account of the South Australian Institute of Technology up to December 31, 1966, under universities legislation.

	\$
(b) For recurrent purposes . . .	275,000
For capital purposes . . .	616,000

These figures include all grants on account of the South Australian Institute of Technology and the School of Art from January 1 to June 30, 1967, and some building grants made late in 1966 under advanced education legislation.

(c) \$750,000.

(d) \$383,000. This figure includes all grants for research purposes as recommended by the Australian Universities Commission and the Australian Research Grants Committee.

(e) \$741,000.

LOXTON IRRIGATION AREA

Mr. Quirke, for The Hon. T. C. STOTT (on notice):

1. How many times, since its installation, has the southern rising main in the Loxton irrigation area burst?

2. What has been the total cost of repairs?

3. What percentage has been added to settlers' costs for pumping and administration, because of these repairs?

4. Are the defects in this pipeline due to expansion and contraction?

5. Is it the Government's intention to overcome these faults by constructing a new steel pipeline, laid above ground, similar to the Whyalla main?

The Hon. J. D. CORCORAN: The replies are as follows:

1. Although leaks have occurred in pipe joints, the main has not actually burst.

2. This information is not available as it is not separately recorded.

3. Nil.

4. Leaks occur due to movements in the rubber seal rings.

5. No.

INSTITUTIONS

Mr. CUMBE (on notice): Can the Minister of Social Welfare say what number of boys is living in the following departmental homes:

(a) Kumanka Boys' Home, North Adelaide;

(b) Training Course Centre, North Adelaide;

(c) Stuart House Boys' Home, North Adelaide; and

(d) Colton Cottage, Thorngate?

The Hon. FRANK WALSH: The reply is as follows:

(a) 24.

(b) This is a staff training centre conducted periodically at the Kumanka Boys' Home. As a training course centre no boys are in residence.

(c) 17.

(d) Three. There are also four girls at this home.

LAKE LEAKE

Mr. RODDA (on notice):

1. Is *Algae Botryococcus* responsible for the heavy mortality of fish in Lake Leake?

2. Was any survey made of the population of aquatic insects and other species of marine life in Lake Leake, or a study made of the incidence of algae in their diet?

3. Was water from this lake tested for residues of pesticides?

4. If so, what was the level of contamination expressed in parts a million?

5. Were any of the dead fish tested for pesticidal residue?

The Hon. G. A. BYWATERS: The replies are as follows:

1. Yes, to the best of our knowledge and belief.

2. No.

3. No. The tests were conducted for my department by the Engineering and Water Supply laboratories at Bolivar. I am informed

that these laboratories do not have the specialized equipment required for testing pesticide residues.

4. See answer to 3.
5. No.

PUBLIC RELIEF

Mr. MILLHOUSE (on notice):

1. Is the total sum that may be paid to a widow who qualifies for State relief greater now than in March, 1965? If so, by how much?

2. Are widows and invalid pensioners who are not likely to be able to work for long periods, or indefinitely, assisted financially through the Social Welfare Department?

3. If so, what is the nature of the assistance given?

4. If not, what assistance is it proposed to give?

The Hon. FRANK WALSH: The replies are as follows:

1. The total amount paid by the State as relief to a widow is not greater now than it was in March, 1965.

2. Widows (who are Commonwealth pensioners) and invalid pensioners who do not qualify for the Commonwealth supplementary allowance (*i.e.*, for rent) may receive financial assistance from the State Department of Social Welfare if they are otherwise eligible for relief. Both classes of pensioners may also receive financial assistance from the State if they receive less than the normal amounts from the Commonwealth, provided they are otherwise eligible for relief.

3. In addition to the financial assistance mentioned in answer 2 above, the department is prepared to provide general welfare services as needed, if requested. These services include maintenance recovery for deserted wives. In some cases special emergency grants are made.

4. See 2 and 3.

HOUSING TRUST RENTS

Mr. MILLHOUSE (on notice):

1. Have any increases been made since March, 1965, in rents of the various classes of Housing Trust houses?

2. If so, what were these increases?

The Hon. D. A. DUNSTAN: It is presumed that the honourable member's question refers to changes in rentals for existing tenancies. The replies are as follows:

1. Yes, following a general review the trust altered the rents of many of its double-unit and single-unit houses, taking effect from

October 16, 1965. This involved some increases and some decreases. The rents of some flats were also increased in August, 1965. Cottage flats and villa flats were unaffected.

2. Some house rents were increased by from 5c to 50c a week. The Housing Trust notified tenants of greater increases, but the Government intervened to require that increases be limited to a maximum 50c a week. Flat rents (other than cottage and villa flats) were increased by from 25c to \$1.25 a week.

STATE GOVERNMENT INSURANCE COMMISSION BILL

In Committee.

(Continued from July 19. Page 726.)

Clause 3—"The Commission."

Mr. MILLHOUSE: When progress was reported on Wednesday, I had been asking the acting leader of the Government about the funds that it would be necessary to allocate for the formation and inauguration of the State Government Insurance Commission. I think I referred then (and I think I ought to do it again, because the Premier was not here then) to the answers that the honourable gentleman had given to questions on notice in which I asked him about this matter on June 27, when he said that no estimate at all of the cost of establishing a State Government Insurance Commission had been made and that none would be made until the commission had been constituted. That was his answer before the Bill was introduced but, during his second reading explanation, he said that the advice of some research students had been taken (I gathered this from his remarks in answer to interjections) on this aspect of the question.

The Hon. D. A. Dunstan: I don't know how you gathered that. That wasn't what you had asked me about.

Mr. MILLHOUSE: It was. The Premier was talking about the cost of establishment and I asked whether the Public Actuary had been consulted. The Premier said, "No, but I have had the advice of research students in this field." The real crux of the matter is the cost of establishing this office. It can be expected that it will cost much money to establish a general and a life insurance office. It is assumed that, because the Government does not say that it does not intend to enter the life field, it will enter both fields. As it seems that any return to this office will be

considerably delayed, the Committee is entitled to know, before it agrees to this proposal, the cost and who has been advising the Government. It is most unusual for the Government to be advised by unnamed research students about whom no-one knows anything as to their identity or qualifications.

The Committee is entitled to know whether the Government has estimated the cost of establishing this office. If an assessment has not been made we should adjourn until it is made, so that members of this Parliament and the people of the State will know the cost. The finances of the State are on a knife edge, if balanced at all, and to establish this office will mean a cash outlay of some magnitude without any corresponding return for some time. As this information was sought last Wednesday and as none of the Premier's colleagues or supporters could supply it, can the Premier say how much it will cost to establish this office and who are the research students who have been advising him?

The Hon. D. A. DUNSTAN (Premier and Treasurer): This is not an Appropriation Bill and I do not intend to produce a budget about the workings of an insurance office for next year. I am not forecasting the sum that I intend to ask Parliament to devote from revenue to establish this office. Opposition members have spoken about the vast sums that were to be spent to establish a Lotteries Commission. Although we provided about \$200,000 to establish the commission, it cost only about \$40,000 and is providing good returns to the State.

To establish a Government Insurance Office will cost no more than to provide office space and office facilities, and that will not be much. When a specific estimate has been made by the commission, when appointed, the sum will be included in the Revenue Estimates to be placed before Parliament. I do not forecast the recommendations of the commission about its first year of business. If the honourable member considered balance sheets of Government Insurance Offices in other States he would understand why no enormous expenditure was involved in establishing these offices. Much business is available immediately to a Government Insurance Office, a good reason why some vested interests in this State do not want the people to have such an office, and why a filibuster is proceeding in respect of this measure.

Some insurance offices in this State, with which members of the honourable member's Party have been associated for many years, used a small paid-up capital to become established. The commission, when it is appointed, will decide on the extent of business it will seek to undertake in the first year and the staffing requirements for that business, and will submit an estimate to the Treasurer to cover this outlay. This estimate will be presented to Parliament, and members will be able to examine, criticize, and vote on it. I have received advice from many quarters about the profitability of such an office. The honourable member will know that people who have advised the Government are involved in this industry. Their confidential submissions to the Government have been examined by departmental officers.

Mr. Millhouse: Are these research students associated with the industry?

The Hon. D. A. DUNSTAN: The senior person who collected the information from the research students is not associated with the industry, but he is associated with commercial research. He had confidential information supplied to him, and he asked that his name should not be revealed publicly. I assure the honourable member that the Government has examined the situation.

Mr. Millhouse: Why don't you tell us.

The Hon. D. A. DUNSTAN: I do not choose to tell the honourable member who gives information to the Government.

Mr. Millhouse: Or this Committee.

The Hon. D. A. DUNSTAN: All Governments in Australia (including Liberal Governments in other States) have established insurance offices, and their reports are available. These offices are profitable and assist the State. By setting up such an office we are stepping into line with Governments of the same political complexion as the honourable member. None of his political affiliates in the other States would seek to get rid of the State Insurance Office: it is of such use to the people of the State that none of them would dare.

The Hon. G. G. Pearson: You know they can't; they are under a contractual obligation.

The Hon. D. A. DUNSTAN: The contractual obligations of a Government Insurance Office are not of such long standing that they cannot be wound up over a period of years. Has any one of the honourable member's affiliates in other States come forward at election time and said that, in time, it was intended to wind up the Government Insurance Office?

Of course not, because the people would not hear of it for a moment. The member for Mitcham knows quite well that the subject he has sought to raise is not a basis of fair questioning on this matter.

Mr. Millhouse: Come now!

The Hon. D. A. DUNSTAN: Adequate information has been given to the Committee, and that is as far as we intend to go.

Mr. COUMBE: I regret that reply, because the Committee is perfectly entitled to ask questions. I regret the disdain with which the Premier has treated the Committee. He has chosen to treat the Committee in a high-handed way, because he has said, "I choose not to answer these questions, and I will not give the information." The Premier has introduced a Bill and is asking the Committee to agree to it, but to leave out all the particulars. What he has done is to bring in a Bill in respect of which he does not know the cost, whereas the Committee is certainly entitled to know the cost of the undertaking.

Mr. HEASLIP: Undoubtedly much money will be required and the Committee is entitled to know what this will cost the taxpayer. If the Premier has the necessary information he should disclose it; if he has not that information, he should not introduce such a Bill and commit the State to an unknown liability.

The Hon. G. G. PEARSON: If the office is to give any degree of service to the community, offices will have to be established not only in the Treasury building but also in other parts of the State, so that in commencing this venture heavy establishment costs will be incurred. I expect people who at present do business with the Government will be "encouraged" to do business also with the Government Insurance Office. I believe that the Premier intends to gather up all the premium income he can lay his hands on and use it for Government budgetary finance and that the Consolidated Revenue Account will carry the risks involved. The Premier should be able to forecast what moneys will be required. Moneys obtained should be placed in the same category as that of other trust moneys; accounts should be kept and funds invested in order to absolve and protect Consolidated Revenue from claims that are bound to occur.

Mr. SHANNON: In Queensland, on the legislation of which I believe this Bill is based, the State Insurance Office takes business from sources including housing societies. These are groups of people operating in a comparatively

small way, somewhat similar to the co-operative building societies in this State. In order to operate, they must have finance, and some of them get money on the understanding that the State Insurance Office will insure the houses financed by the societies. This suggests that the insurance business is not the goose that lays the golden egg, as some people imagine it to be.

Some risk is associated with all insurance. If there were no risk, there would be no insurer. Subclause (3) is very direct as it means that one man, the Minister, will control the use of the funds provided by the premiums. I know of no insurance company that works on such a basis: the manager of an insurance company is subject to a board comprising members who are well versed in insurance matters, whereas subclause (3) provides that policy shall be in the hands of only one man. There is a danger in this: the Minister, who will probably be the Treasurer, may, if he is short of funds, use the funds for general purposes in a year in which the State Government is embarrassed financially. If, as is likely this year, the State's productivity falls (although there is a contractual obligation on the commission as on any other insurance office) the commission's funds may be used to finance development. I have heard estimates of how much money is required to establish an insurance office, but I take it that in this case the State will not require a certain sum to be deposited as an assurance that policyholders can be paid, although I understand that even well established companies must furnish such a deposit.

I do not object to competition by a Government Insurance Office. The only advantage such an office has in not paying income tax is offset by the lack of personal service that it can provide. I do not intend to try to amend subclause (3). Although I may be considered suspect in this Chamber because of my connection with insurance, I believe this should not stop me from telling members what I know about insurance and about certain risks that will exist if the Bill is passed in its present form.

Mr. HALL: I suppose it might be wrong of us to ask the Premier to inconvenience himself by bringing down an estimate of the cost of establishing a Government Insurance Office. However, it is necessary that we should know of what we are disapproving in this case. It appears that members of Cabinet have not been informed of the possible costs.

Last week, on asking the Minister then in charge of the Bill, we found that he had no idea of the cost involved. Indeed, the Government is a one-man show.

Figures show that the profitability of insurance has declined markedly in the last two years. The last figures available show that only 1.1 per cent of premiums is held as profit by established companies. Out of this low profitability, the Premier has promised that he can establish a Government Insurance Office at practically no cost. We are supposed to be inconveniencing him by asking what his advisers estimate will be the cost of establishing the office. Of course, we have had a similar experience with regard to the extra week's leave for public servants: already the Premier has given two estimates of the cost, and we know that members of Cabinet either have not discussed the matter or have not been told the cost.

Mr. MILLHOUSE: I shall ignore the less pleasant overtones in the Premier's answer to me and the arrogance with which he treated honourable members in replying and in refusing to give information. He has missed the point of the questioning of Opposition members both today and last Wednesday. The point is that we are going into a new business and we want to know whether or not we can afford to do so. The time at which we should know this is before we make up our minds whether to take the step. So this is the time to have this information to enable us to make up our minds.

I know (and I have known for many years) that the Premier has always prided himself on his grasp of economics and of general business practice. Alas, he is falling down heavily now, because surely it is only common sense to ask how much it will cost one before one goes into anything. I remind the honourable gentleman that, at his invitation, given publicly and willingly in this Chamber (but not so willingly afterwards), I went to see the Public Actuary on the aspect on which he is personally qualified to advise the Government (although his advice has not been sought)—the establishment of a life office. I have brought back to this place something in Mr. Stratford's handwriting that shows that substantial costs are involved, without any corresponding income at the beginning, in the establishment of an insurance office. Although I do not find Mr. Stratford's handwriting easy to read, I intend to read what he

wrote for the benefit of the honourable gentleman, because this is from a senior public servant whom the Premier has not seen fit to consult but who gave this advice to me as a member of Parliament. I pass it on and suggest it is valuable advice. Mr. Stratford states:

I have not considered the cost of setting up a Government Life Office. Since an office would not come under the provisions of the Commonwealth Insurance Act, this would lessen the cost in the early years. Expenses in life assurance are not even in incidence.

I ask the honourable gentleman to take particular note of the next question and to answer it if he believes he can. Mr. Stratford states:

In the first year (of a policy)—

and all of the policies at the beginning would be in the first year—

there are the costs of acquisition which have to be advanced—

I emphasize that word—

from the funds of the company and are recouped during the lifetime of the policy.

That clearly shows that funds have to be advanced to go into this business. As I have said, this is no more nor less than common sense. The Public Actuary also states:

The extent of these advances depends on the volume of new business acquired.

It has also been said that experience shows that in the first year the costs of a policy may be 120 per cent or 130 per cent of premium income. This was advice given by an actuary of great ability whose job it is to advise the Government on such matters as this. In fact, all insurance offices rely on actuarial advice except, apparently, this one. The point is whether we can afford this office. I will not say whether I think the Premier knows the cost but, if he does not know, he is a fool to go into this business. On the other hand, if he knows, he ought to be frank enough to tell the Committee. If he does not know, we ought to refuse to proceed until he finds out and tells us, because the crux of the matter is whether we ought to go into this business at this time.

The Premier is the only one who can tell us. He said he was confident that there would be profits. Last Saturday's *Australian* shows that not all companies and not all of those that venture into insurance make a profit. A report in that edition states:

CAGA sells insurance interests to South Australian company. Commercial and General Acceptance Ltd. is quitting the insurance business. It was announced last night that Commercial and General Insurance Ltd. (CAGI), in which CAGA has a 30 per cent

interest, has been sold to South Australian Insurance Holdings Ltd. It is understood that the insurance group was not operating profitably.

I have read enough to show that insurance business is not necessarily the gold mine that the honourable gentleman would like us to believe it is. People can lose money in this business, apart altogether from the losses that occur as a result of calamities such as the earthquake in 1954 and the bush fires in Tasmania earlier in this year.

This is why I ask the honourable gentleman, if he has any regard for the people of this State whom he is leading into this business, to be frank enough to give the Committee the information that we seek, or to get the information if he has not got it now. I make one final plea in view of our ancient friendship. I doubt that, in his busy life, he has had time to look at *Hansard* for last Wednesday evening. This is what his deputy (Hon. C. D. Hutchens) said when he moved that progress be reported:

I agree that honourable members may be labouring somewhat under difficulties.

That was because of the absence of the Premier, who was in charge of the Bill and who was, apparently, the only one who knew anything about it—and he does not seem to know much. The Minister said:

It is not possible for me to get the advice that is in the Premier's possession—apparently the Minister of Works thought that the Premier had the information—and because the Government wants to be fair and just, if Opposition members give an assurance that they will be able to assist tomorrow in another direction—and I did—

I am prepared to move that progress be reported.

The Premier's deputy on Wednesday evening gave an assurance that progress would be reported so that we could have this information, which he said was in the Premier's possession. Will the Premier honour the undertaking given by his deputy?

Mr. McANANEY: When I was in New South Wales, I saw how the New South Wales Government Insurance Office was conducted, and I thought it was a well conducted organization. However, this Bill contains a fundamental difference in principle. The New South Wales office operates under a General Manager and, to a certain extent, controls its own destiny. It is not interfered with by the Government of New South Wales, except that

it has to get the approval of the Minister before it can take certain action, and I think it has been reasonably successful in that. The office has a portfolio of investment somewhat similar to that of private insurance companies.

However, this Bill provides that the commission can be overridden by the Minister in relation to anything it does. Who will serve on the commission if the members are to be only toys in the hands of a Minister? Public servants may be employed on a part-time basis. Will the commission secure the services of men of drive, energy and ability if these men are to have Cabinet or a Minister directing them what to do? I oppose the Bill because of this fundamental principle more than for any other reason. It is said that we have to establish the commission in this way in order to make a profit from it. On Friday afternoon a barman said to me, "This hotel makes a profit. Is the Government going to take it over?" If the Government can control the actions of the commission, it can extend its socialistic platform to a greater extent than is the case in New South Wales. If I had any belief in Socialism, I would think that the Government was putting up a good show. However, I cannot understand how an insurance office can be established successfully by a Bill such as this.

The Hon. D. A. DUNSTAN: I find a strange dichotomy between the member for Stirling and the member for Mitcham. The member for Stirling tells us that a Government Insurance Office must be managed by those in charge of it, such as the General Manager in the case of the New South Wales office and the commission in South Australia. I think the office should be managed by these people. I entirely agree with the honourable member that they are the people to set up the office and to advise the Government on how it is to be done. That is the policy of the Government. We intend to appoint commissioners and we shall take their advice. Such matters as the type of business to be undertaken during the first year of operation, the extent of that business, the agencies to be appointed, and the arrangements to be made with other Government agencies will arise. The commission will then make a submission to the Government about the funds to be involved at that stage and about the investigations the commission will be competent to undertake.

On the other hand, the member for Mitcham, contrary to his colleague, demands that at this stage I do the basic work of the commissioners and decide what shall be done in the first year,

what form that business will take, what provision is to be made for office establishment, and so on, so that I may give an assurance to honourable members about what the commissioners will do. This Government has found able and devoted people who have been willing to accept senior public positions in its undertakings and enterprises, and I have no doubt we shall be able to find people adequate to the task, who will do it in such a way that information will be available to members about the intended business and the expenditure of this office. It is probably true that it will be costly for the office to enter the life assurance field, and I should be surprised if the commissioners, in the first year, advised that the office should undertake life assurance business. However, since it has been found valuable in other Government Insurance Offices to undertake life assurance in certain circumstances, we should not deprive the Government Insurance Office of the right to enter this field when the commissioners find that it is useful to do so. The Liberal Government in Queensland not only favoured the continuance of a Government Insurance Office that undertook life assurance: it believed that it should hold a monopoly in certain directions. On June 18 Mr. Chalk (Treasurer in the Liberal Government) is reported to have said in Brisbane:

The State Government Insurance Office provides the best service that can be given, and its part in backing loans for the Government has been fantastic. The State Government Insurance Office gives better protection, and it would be unwise at present to take away its control of workers' compensation.

We are not proposing monopoly powers for the Government Insurance Office here. I cannot understand why the member for Mitcham differs from the member for Stirling.

Mr. Millhouse: Why do you differ so much from the Minister of Works who gave an undertaking last Wednesday?

The Hon. D. A. DUNSTAN: The Minister of Works was taking the Bill for me but, because Opposition members objected, the Minister, out of consideration for them, adjourned the debate until the Minister in charge of the Bill could be here to give answers for himself, and I have given the answers.

The Hon. Sir THOMAS PLAYFORD: The monopoly provided by the Queensland Government making it compulsory for people to insure with that company does not seem to be the best recommendation for such a scheme. The Committee is entitled to know the scale of operations of the organization and what

expenditure of public moneys is to be expected. No manipulation of public funds can alter the fact that a limited sum is available to the Government of this State. As this is a Government undertaking, it can be financed either from Revenue, from Loan Fund, or from semi-governmental borrowings, and the information asked for by Opposition members should have been supplied most willingly by the Premier and Treasurer. He is not so reckless as not to have obtained an overall statement of the position and an assessment of the cost involved in this activity.

This new office will have to handle many difficult insurance accounts, and its success will depend on its management, because it will have the difficult job of competing with established offices. Initially, it will cost much money to conduct the services provided for by the Bill. I do not recall a request made in Committee as to the cost involved in a Bill being flatly denied, as it is being denied today. There has been no attempt to answer the question: the Committee is told this is something to be decided by the commission. This means that the creature we are creating today will tell us tomorrow how much money we shall have to provide to keep it going.

The Hon. D. A. Dunstan: No.

The Hon. Sir THOMAS PLAYFORD: Does the Premier deny that we are setting up an insurance commission and that he told us a few minutes ago that it would decide what expenditures would be involved?

The Hon. D. A. Dunstan: Parliament will decide.

The Hon. Sir THOMAS PLAYFORD: The commission will decide tomorrow. We create it today and it assumes control tomorrow.

The Hon. D. A. Dunstan: I did not say that.

The Hon. Sir THOMAS PLAYFORD: I cannot believe that the Premier is so reckless as to enter into an engagement of that sort. If he is so reckless, this Bill should be thrown out forthwith. Unless we know where we are going, we should not even start. We have a right to the information requested by the member for Mitcham. When the Premier says, "The commission, when established, will decide what agencies it will set up and what expenditures there will be", it means that we are asked to provide the money determined by the commission. I cannot accept that position.

Mr. HEASLIP: We are entitled to an answer to the question. I am not interested in the success or otherwise of insurance offices in other States: I am interested in how much

this will cost the people of South Australia. Can the Government afford to spend money on this scheme?

Mr. McKee: Would you insure with the Government?

Mr. HEASLIP: The member for Port Pirie has been fortunate in having so much money spent in Port Pirie, but what about other districts? Where will the honourable member insure when the commission is set up?

The CHAIRMAN: Order! Honourable members must address the Chair and not give each other advice.

Mr. HEASLIP: If money is to be spent in this way, the development of South Australia must suffer. At the moment we lack prosperity and have unemployment. Many projects, including water schemes, await development. How much are we committing ourselves to spend on this insurance scheme? We are asked to sign a blank cheque and are refused an answer to a perfectly logical question. Surely the Premier knows how much it will cost? I take a poor view of his refusal to answer.

Mr. McANANEY: The Premier should listen to what is being said. I did not touch on what the member for Mitcham said today. He asked how much the setting up of this commission would cost. That is such an elementary point that I left it to him to deal with. No authority is being established to give the Government the power contained in the clause. If the Premier said I was differing from the the member for Mitcham, he just was not listening.

Mr. COUMBE: I hope the Premier will do me the courtesy of listening to me for a moment. In his second reading explanation of the Bill he said this, at page 487 of *Hansard*:

Indeed, the Government of South Australia can be subjected to much pressure from large financial institutions which threaten that, unless certain financial policies are followed by the Government, they will not be prepared to assist semi-governmental raisings.

To this the member for Mitcham interjected:

Have you had such threats?

The Premier replied:

I am not going to say anything further than that.

I invite the Premier to expand on what he meant by that.

The CHAIRMAN: The honourable member is out of order. He must speak to the clause.

Mr. COUMBE: I am speaking to subclause (3) of clause 3.

The CHAIRMAN: Order! References to second reading debates are out of order.

Mr. COUMBE: Very good, Sir.

The CHAIRMAN: Order! I point out to honourable members that reference cannot be made to second reading debates whilst we are in the Committee stage.

Mr. COUMBE: Very good.

The CHAIRMAN: I thought the honourable member wanted a brief reference to link up this clause, but he cannot refer to the second reading debate. The honourable member for Torrens.

Mr. COUMBE: Very good, Mr. Chairman, I shall observe your ruling and I thank you for drawing my attention to this matter. Will the Premier be good enough to say whether in the discharge of the duties of this commission, he fears that at any time another institution may (by withholding support of semi-government loans) provide a threat to the Government's chances of raising these loans? Has the Premier had any experience of this happening? Also, has the Premier had any experience, since he assumed office, of support of Government loans being withdrawn? I understand that the Electricity Trust recently had a public float that was filled in record time.

Mr. MILLHOUSE: I thought the Premier would get up and show the courtesy of replying to some of the points that have been made, but apparently he does not intend to do so. We are making very slow progress indeed on this provision because we are up against almost a complete brick wall. However, there is one ray of light: we did get from the Premier after an hour's debate the suggestion that the commission would not engage in life assurance at the beginning. That is as far as we have got this afternoon.

The Hon. Sir Thomas Playford: But it was not an assurance.

Mr. MILLHOUSE: It was not an assurance because, following the Premier's line of thinking, the commissioners are the ones that will make that decision. This begs the question because there is the question: who appoints the commissioners? This is as far as we have got this afternoon with the Premier. It is noteworthy that nobody else on his side has bothered to take up the debate. The member for Port Pirie has sat there and made one or two interjections, and I was not at all satisfied with the answer he gave on the question where his own business would go

when this office is set up. He did not give a very straight answer, but he was interested in where the business of the member for Rocky River would go. I wonder how the officers of insurance companies in Port Pirie regard this measure; it would be interesting to hear whether the honourable member has support on this..

The CHAIRMAN: Can the honourable member say how he links, with this clause, his remarks about where the insurance business of the members for Port Pirie and Rocky River may go?

Mr. MILLHOUSE: No.

The CHAIRMAN: The honourable member must link up his remarks with the clause.

Mr. MILLHOUSE: Thank you, Mr. Chairman, for not allowing me to pursue this too far. I complain that this is the worst exhibition we have had from the Government during my time in Parliament. We have had a blank refusal—a most intolerant one—from the head of the Government to give any worthwhile information at all on the one point that is absolutely vital in this matter—an absolutely arrogant and intolerant attitude on the part of the Premier. If this is the way he is going to treat Parliament—with utter contempt—the people of this State are going to be in for a very bad time during the remainder of his period of Premiership. This is not the way Parliament should be treated. Parliament has a function to perform, and this function is not that of being a rubber stamp for the Premier.

I know that the Premier is wrapped up in himself and that he thinks he is always right and that nobody else is worth listening to, but this is not the view of all members of this Parliament and of the South Australian community. We have had a very poor exhibition from the honourable gentleman. If we cannot get anywhere eventually—and I hope we go on trying—I shall vote against this clause as an emphatic protest against the honourable gentleman's refusal to give reasonable information.

The Hon. D. A. DUNSTAN: I am sorry that the honourable member has got to such a state of petulant fury about precisely nothing that he is almost having a seizure. I think it is about time that we put up a little notice saying, "Next act about to be given by the honourable member." It is a sham fight.

Mr. Millhouse: No; it is not.

The Hon. D. A. DUNSTAN: Yes; it is. All the honourable member does is to get up and shake his head in petulant fury as if he really means something by it (and no-one

here believes him, not even his own colleagues). This is similar to the kind of excuse heard from some members of the Opposition when they demanded to know how much the Lotteries Commission would cost us. It is the same thing entirely. If members of the Opposition are not prepared to allow me to protest in return, they are being unkind. After all, they have addressed a certain amount of torrid abuse at me this afternoon. At least I ought to be given a little right to reply.

Mr. Millhouse: If you would say something, it would help.

The Hon. D. A. DUNSTAN: I have said exactly what the position is: we are not forecasting the exact budget of the commission during its first year of operation. When the time comes for its budget to be presented, it will be presented here. The honourable member for Gumeracha knows perfectly well that under the procedures of this Parliament the commission will not make the decision as to how much will come from revenue. Honourable members have been told all this and, having been given that information, all they can do is get up and shake their heads, gesticulate, point the finger, and say, "It is arrogant of the Government to do so." We have had enough of acting for the time being, and I suggest that honourable members get down to business and vote.

The Hon. Sir THOMAS PLAYFORD: I refer the Premier to subclause (8). I realize that it would be very desirable for certain officers of the State to be available to the Government, and I am not going to question either the desirability or the propriety of appointing an officer who has the ability and who has the welfare of the commission at heart. Having said that, I cannot understand why the clause is as wide as it is. As it is at present worded, the clause would enable, say, the Railways Commissioner, the Auditor-General or the Public Actuary to be appointed. I believe that the provision should be qualified to the extent that an appointment may be made only if it does not interfere with the other duties of the officer concerned.

The Hon. D. A. Dunstan: That wouldn't be necessary.

The Hon. Sir THOMAS PLAYFORD: We have already seen what has happened in connection with certain financial matters, in which an ambiguity in the Act has been used by the Premier. Will the Premier consider modifying the clause, not for the purpose of destroying its general purpose but to include what I regard as a necessary provision?

The Hon. D. A. DUNSTAN: With great respect to the honourable member, I think the amendment he suggests is completely unnecessary. Obviously, no Executive Government would appoint as a Commissioner of the State Government Insurance Commission somebody who is otherwise engaged in Government activity and whose duties, as such, would be interfered with by his appointment as a commissioner. After all, Executive Government is there to ensure that the activities of Government are carried on, and it will not make it difficult for its own officers to carry on their work. No officer would be willing to accept appointment if it meant that his other statutory duties could not be fulfilled. The honourable member knows that this happens in numbers of other cases. As it is not an unusual clause, I see no reason why it should not be worded in the usual fashion.

The Committee divided on the clause:

Ayes (17).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan (teller), Hughes, Hurst, Hutchens, Jennings, Langley, McKee, Ryan, and Walsh.

Noes (16).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall, Heaslip, McAnaney, Millhouse (teller), Nankivell, and Pearson, Sir Thomas Playford, Messrs. Quirke, Rodda, Shannon, and Teusner.

Pair.—Aye—Mr. Hudson. No—Mr. Stott.
Majority of 1 for the Ayes.

Clause, as amended, thus passed.

Clauses 4 to 6 passed.

Clause 7—"Casual vacancies."

The Hon. Sir THOMAS PLAYFORD: I move:

In paragraph (g) after "offence" to insert "involving dishonesty".

As it is at present worded, the clause is rather wide.

Mr. Coumbe: It could include a traffic offence!

The Hon. Sir THOMAS PLAYFORD: Yes, although I am not suggesting that a man would be dismissed because of a traffic offence. I think the Premier is concerned with offences involving dishonesty.

The Hon. D. A. DUNSTAN: I am prepared to accept the amendment.

Amendment carried; clause as amended passed.

Clauses 8 to 11 passed.

Clause 12—"Powers and functions of Commission."

Mr. MILLHOUSE: I move:

In subclause (3) after "1967" to insert "If it does become such an approved insurer it shall be bound by the provisions of the said Act in the same manner and to the same extent as other persons engaged in the business of insurance in the State."

The object of this and a subsequent amendment that I have is to ensure that the State office does what the Government has expressed as its intention it should do: compete on equal terms with the private insurers. All members of the Committee know that there are a number of obligations which have to be met by all insurance companies before they can go into business. The object of these amendments is to ensure that, in fact, the Government office has to observe the same provisions of various Statutes as do the private insurers. I know this is the declared intention of the Government, and I therefore hope that the Government will be prepared to accept these amendments, for they are drawn for no other purpose.

The Premier may say that my first amendment is unnecessary because it is implied, but it is important that, in a Statute of this nature in which we are setting up a Government Insurance Office to compete against private insurers, we should spell out our intention that competition should be on exactly similar terms to that of any other new-comer in the field. I ask the Committee to accept this amendment in order to make it crystal clear that, under the Motor Vehicles Act, 1959-1967, this State office will be in exactly the same position as every other insurer.

The Hon. D. A. DUNSTAN: I regret that I cannot accept the amendment. I think it quite ill advised to clutter up Bills with unnecessary wording. The honourable member must know that the position he seeks to provide by his amendment is already the law. To become an approved insurer under the Motor Vehicles Act, one has to be an approved insurer within the terms of that Act and in accordance with its provisions. Otherwise, a person cannot be such an approved insurer. Therefore, what the honourable member is suggesting here is a statement of the law as it stands. Why should we clutter up the Bill with extra wording when it is already clear?

Mr. MILLHOUSE: True, approval must be obtained under the Act. However, with great respect to the Premier, who is also the Attorney-General and therefore the Chief Law Officer of the Crown, and whose opinion he tells us we must respect, it is one thing to say that an insurer is an approved insurer but it is

quite another thing to say that he must, after approval, conform to all the requirements of the Statute, and that is the object of this amendment. There are two concepts: first, the idea of approval and, secondly, the idea of conforming with the provisions of the Act. With the utmost respect to senior counsel, the honourable gentleman is confusing and running together those two concepts. I ask him to reconsider his refusal to accept this amendment on what he himself has already said: it certainly will not be contrary to his intention. The only argument he has advanced against it is that it is unnecessary verbiage. I assure him it is not, and I ask him to reconsider.

The Hon. D. A. DUNSTAN: I appreciate the courteous and sincere deference which the honourable member expresses to my own views, but with great respect to him I cannot agree with him.

Amendment negatived.

The Hon. D. N. BROOKMAN: I move:

To strike out subclause (5).

This clause should be taken out for much the same reasons as those advanced by the honourable member for Mitcham. I have already stated that I disapprove of the setting up of a State Insurance Office. If such an office is to operate in fair competition with other insurance companies, it should not be given any unfair aids that are not available to other companies.

The Hon. D. A. DUNSTAN: Earlier in the Committee debate the honourable member agreed with his colleagues that we have to be careful about costs. However, he then said that the avenues that normally would be open to Government for seeing to it that costs were not excessive are not to be used. It would not be normal for the commission to use people other than its own officers, but there may be cases in which it would be advisable, both for the purposes of the commission and for the protection of the public, to do so. This is provided in other Government Insurance Offices in Australia, and I believe this provision should be retained in the Bill.

The Hon. G. G. PEARSON: An actuary is a highly-qualified officer, commanding a high salary. Companies in competition with the commission will be obliged to provide their own actuarial officer. The Premier said that he intended to use the services of Government officers in order to reduce the cost of the commission. However, surely he cannot have it both ways. If he intends to reduce costs, then obviously he intends to use the services

of highly-paid and highly-qualified Government officers. I refer particularly to the possibility of using the services of the Public Actuary. In that case, we will not have what he said he intended we would have, namely, a Government Insurance Office competing on equal terms with other insurance companies. Is it intended that the commission will use the services of the Public Actuary in relation to its business?

The Hon. D. A. DUNSTAN: It would be possible, but only on payment by the commission, just as the public has to pay for his services. If the honourable member reads the clause, he will see that it is not intended that other Government officers will be used freely. As the honourable member knows from his experience as a Minister, where the services of one department are provided to another department there is generally a provision of costs involved. The Public Actuary is not available only to the Government: he performs numbers of services to the public upon payment of a fee. I know that my office has often made use of him to calculate matters to put before the court in the assessment of accident claims, as have many other lawyers' offices. This is not something strange. If there are Government services of which we can avail ourselves upon payment of the requisite sum into the relevant account, I see no reason why this office should be deprived of being able to have a service that is available to other offices.

The Hon. G. G. PEARSON: With typical alacrity, the Premier has side-stepped the issue. My point is that he cannot have it both ways. He said he intended to have the services of Government officers to reduce the cost of the commission, yet he has maintained stoutly throughout the whole discussion on the Bill that the commission will compete on equal terms with other companies. These companies have to employ actuaries full-time in the conduct of their businesses. He obviously intends to use the services of the Public Actuary as and when required on a part-time basis and so escape the majority of charges which should be met. This is not competition on equal terms.

Mr. SHANNON: I was hoping the Premier would say that the Public Actuary would be one officer who would not be sought to act on the commission. However, he did not say that. The Premier should give an assurance that the Public Actuary will be left as an absolutely free agent to advise the Government from time to time on the commission's

conduct of the State Insurance Office. This comes back to the question of the taxpayers being properly protected. The Bill provides that all claims will be guaranteed from Consolidated Revenue, which the taxpayers provide. Therefore, a person who invests in insurance with this office will take no greater risk than a person who invests in Government bonds. A Government officer, such as the Public Actuary, should be available to guide the Government office if it was considering conducting some risky business.

Insurance companies must have actuarial reports prepared and submitted before they can embark on, for instance, the payment of bonuses. This has to be actuarially approved. I do not know what the Government intends regarding life assurance. In the case of commercial insurance, I do not expect bonuses, but I do expect business on a premium basis. It could be that the commission, in order to write business, will offer to insure at premium rates certain avenues that are unprofitable. There should be two people prohibited from acting on the commission—the Public Actuary and the Auditor-General.

The Auditor-General's important function is to serve Parliament and provide it with appropriate advice on the financial affairs of the State and of every department in the State. I have sat behind Governments that have used public servants in various jobs but I have not liked it, because a public servant should be applying his energies full-time to the department to which he belongs. The Government would be well advised to seek skilled insurance people for the commission rather than highly-skilled public servants who may or may not have any knowledge at all of the insurance business. It is all very well to say they could pick it up, but if they do that a loss will be incurred as they learn by their mistakes. I ask the Premier to give an assurance that the Public Actuary and the Auditor-General will not be used by the commission.

Mr. MILLHOUSE: I am not so worried about the officers referred to by honourable members, although I agree with what they said. However, one matter which worries me, and about which I desire to ask the honourable gentleman, is that the State Insurance Commission will require the services of solicitors. There is nothing surer than that.

Mr. Burdon: You aren't suggesting you would be one?

Mr. MILLHOUSE: No, but I wonder whether the Premier intends to make himself one by giving this business to the Crown Law

Office. This is an important matter and one on which the profession and the public will want information. Is it the Government's intention that this business will go to private solicitors, or is it intended to expand (and expansion will be necessary if this gets under way) the Crown Law Office and to make the Crown Solicitor the solicitor for the commission? Of course, if the Crown Solicitor is the solicitor, he has the advice of the Chief Law Officer of the Crown, who is the Attorney-General himself. This is a serious matter, as the honourable gentleman, as a fellow member of the profession, will realize. I am sure that an indication of the intention of the Government in this matter one way or the other would be very welcome, and I ask the Premier to give it. We do not have to worry too much about the Public Actuary, who is in the happy position of having the right of private practice. This is a most unusual practice, but one with which I entirely concur.

Mr. Quirke: Do you think he would give advice to a commission of which he was a member?

Mr. MILLHOUSE: No. This, of course, is the point. When the Premier answers other honourable members I hope he will tell me what is proposed by the Government with regard to legal services.

The Hon. D. A. DUNSTAN: Regarding the points made by the member for Onkaparinga, it is not in the mind of the Government to appoint either the Auditor-General or the Public Actuary to the commission. I think that they would not be appropriate appointments, and that those officers should remain independent of the commission. Regarding legal services, no decision has yet been taken. It would be difficult to provide sufficient staff in the Crown Law Office to give services to the commission. However, it is by no means new for officers of the Crown Law Department to be advisers to semi-governmental authorities and authorities that are very much less connected with Government than this one would be. In other States, under Liberal Governments, the Crown Law Office does that for the State Government Insurance Offices.

Mr. MILLHOUSE: I appreciate the Premier's dilemma in answering my question. On the one hand, he does not want to offend members of the profession by saying outright that the work is to be done by the Crown Law Office; on the other hand, as a good Socialist, no doubt he wishes it should be, because this is the trend. He is perfectly right in saying that in other States this work is done

by the Crown. For instance, it is in Western Australia. In New South Wales, I understand, it is done by officers of the State Government Insurance Office (or whatever the correct title is) until the very last moment when they know that counsel will be required. I understand that the Crown Law Office in New South Wales is frequently instructed. I ask the Premier (and he and I both appreciate the importance of this matter) if he can be a little more definite one way or the other. He has been most equivocal in answering so far. If he cannot at this stage commit himself for political reasons, can he tell us when a decision will be made on this matter, and whether it will be made by the Government or by the members of the commission when they are appointed by the Government?

The Hon. D. A. DUNSTAN: Obviously enough, no decision to use the Crown Law Office could be made without the consent of the Government. I have already said that no decision has yet been made.

Amendment negatived.

Mr. MILLHOUSE: I move to add the following new subclause (7):

The rights transferred to and vested in a workman by virtue of subsection (1) of section 13 of the Workmen's Compensation Act, 1932-1966, shall apply in respect of policies issued by the commission in the same manner and to the same extent as they apply to and in respect of policies issued by other persons engaged in the business of insurance in the State.

I explained the purport of my amendments earlier, and I think the Premier accepted the principle behind them, even though he was not prepared, for reasons best known to himself, to accept the first amendment. This amendment is in a similar vein, and I am sure it does not by any stretch of the imagination suffer from the defect he sought to see in the previous amendment. I wish the Premier would not give me that pained look; I wish he would listen to my explanation. Section 13 (1) of the Workmen's Compensation Act provides:

Where any employer has entered into a contract with any insurers in respect of any liability under this Act to any workmen, and becomes insolvent, or makes a composition or arrangement with his creditors, or, being a company, has commenced to be wound up, the rights of the employer against the insurers as respects that liability shall, notwithstanding any Act relating to insolvency or to the winding-up of companies, be transferred to and vest in the workman.

There is no provision in the Bill now before the Committee to provide that this particular subsection shall be binding on the commission.

It is obviously desirable that that should apply, because I think that, if the Government goes into any field, if one can read the intentions of the Government it proposes to go into the field of workmen's compensation and, therefore, this matter should be covered. It is, so that it shall be covered and so that there shall be no doubt about the matter that I move this amendment.

The Hon. D. A. DUNSTAN: I am at a loss to understand where the doubts of the member for Mitcham have arisen. The commission will be an insurer, the same as any other insurer. The honourable member has said this should apply to the commission, and I agree, but in my view it does. The member for Mitcham has not made out to the Committee the basis on which he founds his doubts. I see no reason for something that states the obvious and is mere surplusage in the Bill.

Mr. MILLHOUSE: I am sorry that my learned senior will not accept the reasoning I have put before the Committee. I should have thought it was obvious that this insurer is a semi-government instrumentality. The commission is not in the same position as a private insurance company, but is a creature of this particular Statute. That is why we have to provide that the commission is to observe and be bound by all the obligations that are on any other insurer. The Bill does not mention the Workmen's Compensation Act, as far as I can see, although there is mention in clause 17 of Acts that shall bind the commission. The Premier cannot blow hot and cold on this. Why is it necessary to set out the Acts in clause 17 if the commission is going to be in the same position as any other insurer? Why does the Premier object to a reference in clause 12 to the Workmen's Compensation Act, which one would think a Labor Government would want, above all, to make certain applied?

Mr. SHANNON: I am at cross purposes with my colleague. There is no doubt about the necessity to have some guarantee to cover the insolvency or winding up of a private company. However, clause 15 provides for a guarantee by the Treasurer in the case of this commission, and such guarantee would be a charge on the general revenue of the State. I cannot see that anybody who takes out a policy with the State Government Insurance Commission takes any risk about payments being met when due.

Mr. Millhouse: It is when the employer does something, not the commission.

Mr. SHANNON: When the employer insures with the Government office, the Government accepts the risk and must pay. Although I am not a lawyer, it is obvious to me that there cannot be any doubt about the meeting of an obligation under a policy.

Mr. MILLHOUSE: Obviously, I have not made myself as clear as I usually do, because the member for Onkaparinga has not seized the point. Section 13 (1) of the Workmen's Compensation Act refers to three parties, who are the insurer, the employer and the workman. In the case of insurance with the commission, the commission will be the insurer. In terms of the provision, if anything happens to the financial position of the employer, the rights of the workman as against the employer who can no longer satisfy them are transferred to the insurance company.

Mr. Shannon: Won't the employer have paid his insurance premium to the commission?

Mr. MILLHOUSE: That is correct, but it does not matter. If what the member for Onkaparinga has been saying were the case, section 13 (1) of the Act would not be needed at all. In order to ensure a transfer of rights if anything happens to the employer, those rights are transferred by law to the insurance company. I want to ensure that, if an employer insured with the commission goes through the hoop, there is the same transfer in that case so that the rights are undertaken or transferred by Statute to the commission. Unless this is spelt out, I am afraid that that will not be the case, because the commission is being set up pursuant to the special Statute with which we are dealing now.

Amendment negated; clause passed.

Clauses 13 and 14 passed.

Clause 15—"Guarantee by State."

The Hon. Sir THOMAS PLAYFORD: I move:

In subclause (1) to strike out "payable" and insert "paid".

The word "payable" gives a discretion, whereas "shall . . . be paid" does not. The words are incompatible, and I think the clause intends that the money shall be paid.

The Hon. D. A. DUNSTAN: There are one or two difficulties about this.

The CHAIRMAN: I rule this amendment to be out of order. It is beyond the competence of a private member to move an amendment to authorize a mandatory appropriation from the Consolidated Revenue Fund. The honourable the Premier.

The Hon. D. A. DUNSTAN: If you have ruled the amendment out of order, Mr. Chairman—

The Hon. Sir THOMAS PLAYFORD: I should like to raise later the point of whether this amendment is out of order. I understood that this matter had been raised, and the Minister in charge of the Bill on the last day on which we sat said it was not a question that had to be raised, because the Government was prepared to accept the amendment and to move it.

The CHAIRMAN: Order! Let us deal with one thing at a time.

The Hon. Sir THOMAS PLAYFORD: If the Premier—

The CHAIRMAN: Order! The member for Gumeracha has raised two matters. The first was that he might later deal with the ruling of the Chair. I point out that he must raise the matter at this stage if he desires to pursue it further.

The Hon. Sir THOMAS PLAYFORD: I am not going to raise it: I have the assurance of the Minister that he is going to move it.

The Hon. D. A. DUNSTAN: Before leaving the House last Wednesday I considered the amendment of the member for Gumeracha and told the Minister taking the Bill for me that it presented no problems. However, since then I have realized that there are one or two difficulties about it. Although a liability may occur, the stage is not always reached where money has to be paid. The liability may be subject to negotiation, and circumstances may arise that extinguish it without payment being made. If the liability actually accrues, then moneys are payable and must be paid. The clause is expressed in this way to show that the liability attaches at the time and in the way it is attached.

The Hon. Sir THOMAS PLAYFORD: The value of the clause is completely lost unless "paid" is inserted. I was not surprised when I was assured that, if I could not move this amendment, the Government would do so. If the Government paid money because of a technicality, the position could be rectified by subclause (2). I hope the Premier will not go back on what has been previously said.

The Hon. G. G. PEARSON: I understand the Premier's difficulty, and suggest that the problem can be overcome if he agrees to insert "when determined" after "shall".

The Hon. D. A. DUNSTAN: I am grateful for the honourable member's assistance, but that amendment would pose other problems. As it would be simpler to agree to the amendment moved by the member for Gumeracha, I move:

In subclause (1) to strike out "payable" and insert "paid".

Amendment carried; clause as amended passed.

Clause 16—"Power to invest."

The Hon. D. N. BROOKMAN: I do not intend to proceed with my amendment to this clause as the position has been covered by the amendment of the member for Gumeracha to clause 3, qualifying the power of the Minister.

Clause passed.

Clause 17—"Contributions in lieu of taxation, etc."

The ACTING CHAIRMAN (Mr. Ryan): The honourable member for Alexandra has an amendment on the file and, in order to safeguard it, I ask the honourable member for Mitcham to move for the deletion of subclause (1).

Mr. MILLHOUSE: I move:

To strike out subclause (1), with a view to inserting the following subclause:

(1) The commission shall pay to the Treasurer annually—

(a) as an underwriting or trading charge, such amount as the Auditor-General certifies is, in his opinion, the equivalent of all rates, taxes and fees, other than income tax, which the commission would not otherwise be liable to pay, but which any other person engaged in the business of insurance would be liable to pay to any State or Commonwealth Government department or instrumentality or to any local government authority;

(b) as an underwriting or trading charge, such amount as the Auditor-General certifies, as is in his opinion the equivalent of the difference between the actual purchase price of any goods and commodities purchased by the commission and the price for which such goods and commodities would be purchased by any other person engaged in the business of insurance, but only to the extent that such difference is due to exemptions in force under any Acts of the State or Commonwealth relating to sales tax, customs or excise duties or levies in respect of goods sold to any State Government department or instrumentality;

(c) as an appropriation of profit, such amount as the Auditor-General certifies as is in his opinion the equivalent of income tax which the commission would, if any other person engaged in the business of insurance, be liable to pay; and

(d) as an underwriting or trading charge, such amount as the Auditor-General certifies is, in his opinion, the value of the salaries, allowances or other remuneration payable to any officers or employees of the Public Service during and in relation to their employment by, and in relation to the business of, the commission.

In furtherance of the objects I have been trying to pursue since we left clause 3, this amendment is to ensure that the insurance commission is on the same basis of competition as all other insurance companies are. Here, we are on common ground. I apologize to the Minister of Lands for not having been able to provide him with a copy of this amendment. I have to confess it was only this morning that I consulted the Parliamentary Draftsman in his office and had the amendment that I presented to him settled. The undertaking I give the Minister of Lands is to make available to him, if we do not dispose of my amendments by accepting them before dinner, a copy so that he can study them during the dinner adjournment.

The purpose of my amendment is merely to spell out the intention of subclause (1) of this clause. Paragraph (a) of new subclause (1) will ensure that the commission is to pay the same rates, taxes and fees as any other insurer has to pay. Those are the three operative words—rates, taxes and fees. It will put the commission on the same basis as any other insurer. Of course, it is for the Auditor-General to certify how much has to be paid each year.

[Sitting suspended from 6 to 7.30 p.m.]

Mr. MILLHOUSE: When we got up for dinner I was moving to strike out subclause (1) and to insert a new one in its place, and I undertook to let the Minister of Lands have a copy of my amendments so that he could study them. I see that he is still outside studying them and I am flattered to think that he is taking so much trouble. It is common ground between us, I am glad to say, that the purpose of this clause is to put the State Insurance Commission on an equal footing with private insurers so that competition is fair and above board. I merely want to set that out in more detail because I point out to the Premier that, even though the

State Insurance Commission will be engaging in business as private insurers do, because it is a semi-government instrumentality unless this is spelt out in the Bill itself, there is a very good chance that it will get benefits from remissions of tax and so on which would not be open to private insurers. That is why, to carry out his intention and mine (because I have to accept that the principle of the Bill has been agreed to on the second reading), I want to put these provisions in this clause.

Each of these four paragraphs refers to a particular matter. Paragraph (a), as I pointed out before dinner, refers to rates, taxes and fees, of whatever kind. It provides that these must be paid, or an equivalent must be paid, on the certificate of the Auditor-General, to make certain that it is in the same position in respect of rates, taxes and fees as a private insurer would be.

Paragraph (b) refers to the difference between the actual purchase price of goods and commodities, etc., and the price for which those goods and commodities would have to be purchased by a private insurer, to the extent that a Government department or instrumentality gets an advantage (and honourable members will notice that the paragraph applies only to the extent of any exemption that may be provided in State or Commonwealth legislation). Proposed paragraph (c) refers to income tax to make certain that the commission pays the equivalent of income tax which would be payable if it were a private insurer. Proposed paragraph (d), a most important one, ensures that an allowance is made for the services of officers or employees of the Public Service. This, as the Premier will appreciate from the questioning we did on clause 12, is particularly important with regard to the Crown Law Office. If, in fact (as I am afraid will happen), the Crown Law Office receives this business, then we wish to ensure that the legal fees, which would be payable if private solicitors were acting, will be debited against the State Insurance Office. Unless we spell out these things, and unless we provide that the Auditor-General, who is the proper officer to do this, examines the accounts of the commission and makes sure that a proper amount under each of these heads is debited against it, we shall never be sure whether this office is competing on a fair basis.

That is why it is so difficult in the other States to be certain of the figures that are quoted back and forth. We all know, as a matter of personal experience, I think, that in

most cases a Government department or a Government instrumentality receives many advantages, simply because it is, in fact, a Government or semi-government instrumentality, and this will happen in the case of the State Insurance Office unless it is spelt out in the Bill. The fact that the commission is engaging in business similar to that of a private insurer will not ensure that it makes these payments, or the equivalent of them, unless we so provide in the Bill. I wish to ensure that the commission's accounts are not fiddled in the same way as we have seen the accounts of the State fiddled recently.

The Hon. D. A. DUNSTAN: I regret that I cannot accept the honourable member's amendment. He makes a practice in this House of charging the Government with hasty and ill-considered drafting. He had the Bill last week and it is not, of course, a new Bill: it was before Parliament last year. The honourable member has had plenty of opportunity to place an amendment on the file. He got something to the Parliamentary Draftsman this morning, apparently, but I am afraid I must chide the honourable member (more gently than he is in the habit of chiding those on this side of the House) for not doing his homework very well. In regard to new paragraph (a), I point out that it is the Government's practice, where it has a trading concern, though it has no liability, to pay to local government the equivalent of the appropriate town rate.

It does not pay the town rate in the case of Government property where Government services are being given, but in the case of a trading concern it makes an *ex gratia* payment to local government. What the honourable member is saying in his amendment is that we may not make that payment to local government but we have to pay the equivalent into the Treasury. In other words, he is taking away from local government what it would otherwise receive. That seems undesirable. Local Government should get the money which it is the practice of Government to pay.

Mr. Millhouse: Does that apply to taxes and fees as well?

The Hon. D. A. DUNSTAN: I do not know what taxes and fees the honourable member is referring to. I don't know whether he can define them.

Mr. Millhouse: What about under the Companies Act?

The Hon. D. A. DUNSTAN: It is quite true that, as it is a statutory corporation, the commission will not have to pay fees under

the Companies Act, but the honourable member knows that they are quite small. If he thinks this is a matter of great concern in competition between the commission and other insurers, I can only say that he is dealing with something which is so utterly marginal as to be quite unimportant.

Mr. Millhouse: I used it only as an example.

The Hon. D. A. DUNSTAN: Other statutory corporations in South Australia do not pay fees of this kind either. It does not seem to me to affect the competitive situation to any degree that is worth the time of this Committee. Secondly, the honourable member in paragraph (b) takes into account what would be the position with the Government Insurance Office in South Australia not paying sales tax. The honourable gentleman apparently has not looked at the legislation because, as a State trading concern, it is liable to sales tax, and therefore that particular provision is useless and quite pointless. The State Government Insurance Commission will not be exempt from sales tax. As far as paragraph (c) is concerned, in my opinion we have already got the provision in the Bill in a better form. Regarding paragraph (d), it is the practice with existing instrumentalities, where any public servant is seconded for duty, for the cost of his salary to be charged to the instrumentality to which he is seconded. That is standard Government accounting practice, so there is not the slightest necessity for paragraph (d). The matter is already covered. With great respect to the honourable gentleman I cannot agree with the contentions he has put forward in respect of this amendment.

Mr. MILLHOUSE: I am gratified at the great respect with which the Premier has rejected my amendment, but I point out to him, with great respect to his senior status, that on each of the paragraphs he had just picked out one example. If one confines the paragraph to that particular example, he may be right, but I point out to the Committee that these paragraphs are not confined to one example: they are broad, so as to catch everything. When I challenged the honourable gentleman on the question of fees payable to the Companies Office, he had to admit that I was right: that in fact these would not be paid. His only excuse was that these were merely marginal payments and meant nothing, but I put that forward as another example of the things I want to cover. Let me ask the honourable gentleman one thing: can he tell me whether the Woods and Forest

Department pays rates to local councils in the South-East? On my information, the answer is "No". Yet he says that the equivalent is always paid to local government. Even his own example will not hold water, yet that is all he puts forward in opposition to my amendment.

I will accept his chiding on the question of drafting. So far as I am concerned, this amendment was prepared within the space of a few hours. I can only say that I have taken the best advice possible on this and, if the only thing that worries the honourable gentleman is the drafting of the amendment, he has more than sufficient capacity to correct drafting errors appearing in it.

The Hon. D. A. DUNSTAN: I think it is wrong in principle.

Mr. MILLHOUSE: I see. It's a pity the honourable gentleman didn't say that when he got up to oppose the amendment. All he did was to take under each heading what purported to be an example of where I was wrong, and he said it was unnecessary to try to catch everything. Even when I tell him of the example in the first amendment, he has to admit, as I'm sure he will admit, that he was wrong. As I say, I have given him straight away one example where an amount in lieu of rates is not paid to local government. To come back to the point, we want to make this fair competition (if there is to be competition at all) with private enterprise and, unless we spell these things out in the Bill, that competition will not necessarily be fair because Government and semi-government instrumentalities get many advantages that are not open to private insurers. If he is going to oppose me on matters of principle, I invite the honourable gentleman to speak again and to tell the Committee what the principle is on which he opposes my amendment.

The Hon. D. A. DUNSTAN: I am sorry if the honourable member thought that I was confining my criticisms to his drafting. I thought I had gone on to say (and I can remember saying it) that the honourable gentleman had not done his homework properly. It is not just one example that I am taking out in these paragraphs. Paragraph (a) refers to all rates, taxes and fees other than income tax. The town rate and water and sewer rates will be paid by the commission. Regarding paragraph (b), it is not a question of example. I do not know what customs and excise duties he thinks the commission will be paying.

Sales tax is the main tax involved and the commission will be liable for it. This is not a matter of drafting: the honourable member has tried to write in many things that are inapplicable and inapposite.

Mr. Millhouse: Will the commission pay stamp duty on cheques?

The Hon. D. A. DUNSTAN: That I cannot say.

Mr. Millhouse: You ought to be able to say that, if you are going to oppose my amendment.

The Hon. D. A. DUNSTAN: The provisions of the Stamp Duties Act are clearly, from the provisions of the Bill, applicable to the commission.

Mr. Millhouse: Why are you hesitating in saying that it will be paid?

The Hon. D. A. DUNSTAN: I am having an argument at present as to whether or not it is payable.

Mr. Millhouse: What about letting us make certain by putting something in the Bill?

The CHAIRMAN: Order!

The Hon. D. A. DUNSTAN: The honourable member has moved his amendment, which is before the Committee. I believe the competitive position of the commission is well covered in terms of the Bill, and the Stamp Duties Act is quite clearly, by the terms of the Bill, applicable to the commission. In those circumstances; I am not satisfied to vote for the amendment. If the honourable member wants these provisions, then what he is doing specifically is to deprive local government of some of the money it gets and to demand that it be paid to the Treasury instead, and to let in various things that otherwise are not applicable at all. He does not want the thing anyway. I could not agree to this amendment as it stands.

Mr. MILLHOUSE: I brought up the question of stamp duty on cheques rather at random but I seem to have hit on something that is causing the Premier some embarrassment because he has hesitated to give a reply. I should like to know from him whether or not stamp duty will be payable on cheques and whether or not stamp duty will be payable on instruments in the same way as it is payable by private insurers on receipts and so on. These are the very things we want to cover. The Premier has now given away by his very hesitation the main point of his opposition to me. All I want to do is to make certain that these amounts are payable.

The CHAIRMAN: I point out to the Committee that the question of stamp duties is mentioned in a subsequent amendment. It is not the matter now before the Chair.

Mr. MILLHOUSE: That is only about a licence under the Act. It has nothing to do with stamp duty.

The Hon. D. A. DUNSTAN: If the commission is not to pay stamp duty on cheques, then it will be required to pay the equivalent amount. The commission will not get out of the payment. The member for Mitcham has simply asked whether the competitive situation is covered. Originally, his question was, "Will the commission pay stamp duty on cheques?" As matters stand, I am having some discussion as to whether stamp duty should be paid simply on the cheques, or whether it should come in under subclause (1). It will be one or the other, and the matter is already covered in the clause.

Mr. MILLHOUSE: Why should the State Government Insurance Commission be in any different situation from a private insurer with regard to the payment of duty on cheques? I do not know how much would be involved annually.

This is a prime example of what I am trying to avoid by my amendment. Apparently on the Premier's own admission there is some doubt about this. Surely the commission is entitled to an answer to the question as to what the difficulty is with regard to putting the commission in exactly the same position as a private insurer. Apparently there is some difficulty, and I ask the Premier to explain it.

The Hon. D. A. DUNSTAN: We have added stamp duty to the cheques of Government instrumentalities, but in order to make certain that the matter is covered in subclause (1) quite clearly, if the arrangement is not that they pay the stamp duty on the cheques, it will be one way of ensuring that it must pay the equivalent to the Treasury.

Mr. MILLHOUSE: I can see that the Premier is just not going to listen to reason on these matters. From what he has already said, he does not propose that the commission should be in the same competitive situation as private insurers. It shows that he will go to considerable lengths to make certain that the commission is in a better position than private insurers. That is the only inference to be drawn from his opposition to these amendments.

The Hon. D. A. Dunstan: You are compelling me not to give moneys to local government.

Mr. MILLHOUSE: Come, come!

The Hon. D. A. Dunstan: Well, read your own drafting.

Mr. MILLHOUSE: The Premier latches on to one item in one of the four paragraphs and hangs his opposition to all my amendments on that. That would not be good enough for anyone who was not determined to give an advantage to the creature he was creating.

Amendment negatived.

The Hon. D. N. BROOKMAN: I move:

In subclause (1) to strike out "the Treasurer deems to be" and insert "are".

The amendment takes away from the Treasurer the right to deem what he considers ought to be paid and gives an arbitrary instruction that such sums as are equivalent shall be paid.

The Hon. D. A. DUNSTAN: I cannot accept the amendment. Someone has to make a decision on this score. Otherwise, how is it establishable? Obviously, the person to do this is the person in charge of the moneys of the State, who is responsible for seeing that they are properly recouped. He is the person responsible to the Auditor-General for seeing that that is done.

The Hon. D. N. BROOKMAN: I do not agree that it should be left to the Treasurer to make the decision. The Act should set out strictly what shall be done. Then, if that is not carried out, the Auditor-General can report and complain about the failure to carry it out. The provision should be obligatory and I cannot see why the responsibility should be placed on the Treasurer.

Amendment negatived.

The Hon. D. N. BROOKMAN: I move:

In subclause (1) to strike out "in respect of its insurance business".

The commission may own property and have income apart from that from insurance business. I see no reason for the proviso, but tax should be payable on the income that the commission gets from any source.

The Hon. G. G. PEARSON: The member for Alexandra has a point and I do not know why those words he seeks to strike out are in the clause. Although qualifying the liability of the commission, they should not be included if the clause is to achieve its purpose.

The Hon. D. A. DUNSTAN: The words are not redundant. Opposition members are trying not to leave the office in a competitive

position. This office is limited in its investments, and less profitable avenues are available to it than are available to its competitors. Its income from investments must be lower and it will have to pay income tax although it is placed in a non-competitive situation. I do not accept the amendment.

The Hon. G. G. PEARSON: If the commission does not have income it does not pay tax, but it should pay tax on its income.

The Hon. D. N. BROOKMAN: Because the investments of the commission are less profitable they may be safer and better than those of a private company. If the office receives an income it should pay tax, and it should not be limited to paying tax only on its insurance business. This emphasizes the point that we should not set up a commission that is able to provide unfair competition to private companies.

The Hon. G. G. PEARSON: I understand that a life insurance office is not obliged to pay income tax on its premium income, but that it is taxable only on the income derived from its investments. The Premier suggests that the investment income in this case may be low and that the commission should not be required to pay tax on this return. Apparently, the commission will pay no tax on its life assurance business if this clause remains as it is.

Amendment negatived.

Mr. MILLHOUSE: I move:

To strike out subclause (2) and insert the following subclause:

(2) The commission shall take out an annual licence in accordance with the provisions of subclause (1) of section 33 of the Stamp Duties Act, 1923-1967, and shall pay the duty thereon in the same manner as other persons engaged in the business of insurance in the State and the commission shall pay the duty applicable to all other instruments and transactions in accordance with the provisions of the said Act in the same manner as other persons engaged in the business of insurance in the State.

Subclause (2), as drafted, appears to be a copy of the provision in the New South Wales Act, and it is inappropriate for the draftsman or the Premier to copy this provision because the scheme here is different from that in New South Wales. In New South Wales insurance policies are instruments subject to stamp duty whereas, as the Premier should know, in South Australia they are not. This makes a vital difference to this provision. I have modelled this amendment on the Victorian law because Victoria is the only other State in which policies are exempt from stamp duty:

an annual licence fee is paid instead of duty on individual instruments. That is what we do here: an annual licence fee is paid by insurance companies in this State in lieu of stamp duty.

If we want to be fair and for this to mean something, we have to provide that a sum equivalent to the amount of the licence fee should be paid. I am informed that what is paid by an insurer for a licence is a significant amount of money per annum; it runs into thousands of dollars and is assessed as a percentage of the value of the policies written. I think that is the basis of it, although I am not sure: anyway, it is a significant amount. This is the vital thing in South Australia and the vital thing we should cover in this Bill if we are to do what I had thought, until the Premier opposed my last set of amendments, we all meant to do—to make sure that this office competes on an equal footing with the private insurers.

The object of my amendment is to make certain that we have an amount of money equivalent to stamp duty in respect of, but not on, policies. I see the Premier is consulting with the relevant authority, so I hope he will come back and acknowledge, for once, the force of what I have said. This amendment will take care of the position. If I may sum it up, unfortunately the relevant authority has picked the wrong model and the wrong precedent for this subclause—the New South Wales one (which was not appropriate) instead of the Victorian one (which would have been appropriate). I invite the Premier in his spirit of usual generosity to support this amendment.

The Hon. D. A. DUNSTAN: I think the honourable member has done a useful exercise and I commend him for it. I am prepared to accept the amendment.

Amendment carried.

Mr. MILLHOUSE: I move:

In subclause (3) after "1958" to insert "the Bush Fires Act, 1960, the Volunteer Fire Fighters Fund Act, 1949-1957, the Hospitals Act, 1934-1966, and the Hire-Purchase Agreements Act, 1960-1966".

This is another amendment I am sure the Premier will accept. Members will see, by looking at subclause (3) as printed in the Bill, that the provisions of the Fire Brigades Act shall apply to and in respect of the commission, etc. There are other Acts which should also, in my respectful view, be mentioned: the Bush Fires Act, the Volunteer Fire Fighters Fund Act, the Hospitals Act and the Hire-Purchase Agreements Act. All of

these Acts contain provisions that place obligations on insurers. If we are to mention the Fire Brigades Act, which is obviously one (because of the contributions made), we should mention these also.

The Hon. D. A. DUNSTAN: With my usual generosity I shall accept this amendment also.

Amendment carried.

The Hon. D. N. BROOKMAN: I move:

In subclause (4) to strike out "Chairman the Under-Treasurer and the Auditor-General deem" and to insert "commission deems".

My proposal is that the commission itself, instead of the officers enumerated, should decide what reserves it will keep and what reserves should be paid to the Consolidated Revenue Fund. My purpose is to give the commission the right to run its own affairs. I ask the Committee to bear in mind the commission is under the direction of the Minister in almost every part of this Bill, including this clause. Why should the Chairman, the Under-Treasurer and the Auditor-General have the say, and why should the commission itself have no say?

A point that is slightly anomalous is that the Auditor-General is to report on the commission as he reports on so many other bodies but here he is also given the task of making a decision in respect of the commission. In other words, it would be conceivable that the Auditor-General might participate in making a decision that could turn out to be a bad one, and then he would be asked to report on the affairs of the commission, in which case he would be in a somewhat difficult position. A much better idea would be to give the commission itself the power to decide its own reserves.

The Hon. D. A. DUNSTAN: The aim of this provision is to enable an independent statutory authority to decide how much of the profit shall be carried to reserve and how much shall go to Consolidated Revenue. This is an additional safeguard to the public: it provides for the exercise of discretion by responsible public officers outside the commission, together with the Chairman of the commission. If the honourable member wishes to put it in the hands of the commission, as he knows it is in the hands of the Treasurer, in order to decide how much should be carried to Consolidated Revenue and how much to reserve, I personally do not think that is entirely advisable. I think it better that, for additional controls for the public,

the Auditor-General and the Under-Treasurer, together with the Chairman, should make a decision on this matter.

The Hon. D. N. BROOKMAN: Why bring the Under-Treasurer into this? If it is desired to provide a safeguard for the public, I point out that he is one person who will be completely disinterested in this matter.

The Hon. D. A. DUNSTAN: He might be a little more disinterested than the Treasurer on that score, given things that have been said on the other side of the Chamber today on the subject of the keeping of accounts of the State. However, that officer will wish to see continuing control of the funds of this office for the purpose of guarding against future contingencies. I think this is a sensible provision, rather than leave it entirely to the Auditor-General. I point out that the honourable member's amendment leaves no outside control on the subject of provision for reserves. I would think it wise to have one, and that is why I prefer to see the clause remain as it is.

Mr. NANKIVELL: If the balance is to be transferred to the Consolidated Revenue Fund, will the Premier explain the significance of the words "to the extent directed by the Governor" in subclause (4)?

The Hon. D. A. DUNSTAN: The effect of these words is that the executive will have to state how much of the remaining balance is to be transferred to the Consolidated Revenue Fund and how much is to be left as trading cash in hand.

Amendment negatived; clause as amended passed.

Clause 18—"Accounts and audit."

The Hon. D. N. BROOKMAN: I move:

In subclause (2) to strike out "as soon as practicable after the end of" and insert "on or before the thirtieth day of September in". This amendment provides that the Auditor-General shall report by a specific date. I also intend to move that the Auditor-General shall report to Parliament so that Parliament will get the report of this matter in the same way as it now receives the yearly report of the Auditor-General. After all, the Auditor-General is an officer of Parliament. The idea of these amendments is that his report on this specific matter shall be made before September 30 in each financial year.

The Hon. D. A. DUNSTAN: I cannot agree with the honourable member that this is useful. The Auditor-General, under the provisions of this clause, will have the duty of examining the books of the commission and auditing the

books of account whenever he deems it necessary. In any event, it is provided that this shall be done as soon as practicable after the end of the financial year. I have no doubt that the Auditor-General will carry out his duties as he has always done, and I do not see any necessity to bind him in this matter to a specific date. He has always carried out his duty of auditing as soon as practicable after the end of the financial year in cases where this has been required of him, and I think it would be better to leave the clause as it stands.

Amendment negatived.

The Hon. D. N. BROOKMAN: In the circumstances, I will not move the further amendments I intended to move to this clause. However, I intend to say a few words about them. To the provision that the Auditor-General should report on the state of affairs of the commission I had intended adding the words "including the adequacy of the reserves". This was related to an earlier amendment seeking to prevent the Auditor-General making a decision as to the reserves. I wanted to ensure that while he should not make the decision he should specifically comment in his report upon the adequacy of the reserves.

I think it would be much better for the Auditor-General to remain as an officer who audits but does not take part in making decisions regarding the work of the commission. Under the Bill as it stands, the Auditor-General is a part of the decision-making machinery of the commission in one respect, namely, in the making of decisions regarding reserves, for he, amongst others, decides what reserves shall be kept, and he along with others could easily make a very bad decision. He would then be placed in a most awkward position when reporting to Parliament on the work of the commission. Therefore, I believe that we have broken somewhat new ground in involving him in the work of the commission, and I do not think this has been a good move. However, as my earlier amendment was defeated, I do not intend to move the amendment I had prepared in relation to this matter.

Clause passed.

Clause 19—"Funds".

The Hon. D. N. BROOKMAN: I move:

In subclause (1) to strike out "such"; and to strike out all words after "commission" first occurring.

If my amendment is carried, subclause (1) will provide:

There shall be separate and distinct funds for each class or combination of classes of insurance business undertaken and carried on by the commission.

I see no reason why one class of insurance should be loaded to pay for another class of insurance. As that is what will probably be done if the Bill is passed in its present form, it seems to me unfair to some types of insurer. The specific reference to this matter in the Labor Party policy speech at the last election was to the effect that the Party believed in a Government Insurance Office to deal with workmen's compensation and third party insurance on motor vehicles. However, as the Bill is drafted, every scope exists for premiums to be altered considerably in favour of one class of insurer to the detriment of another.

The Hon. D. A. DUNSTAN: I regret that I cannot accept the amendment. On the advice of the accountants on this subject, it is necessary to have this provision to make the Bill work. It will be necessary to make judgment as to what is a separate class of the insurance business and whether it is of sufficient volume to be treated separately. This is a judgment that must be made at the time, and the judgment will be necessary to be made. The later subclauses of the clause require that the Minister make judgments concerning the way in which various matters are to be recouped from funds, and in consequence he will need to have made an original judgment as to the nature of separate and distinct funds held by the office.

Amendment negatived; clause passed.

Clause 20 and title passed.

Bill reported with amendments. Committee's report adopted.

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That Standing Orders be so far suspended as to enable the Bill to pass through its remaining stages without delay.

The Hon. Sir THOMAS PLAYFORD (Gumeracha): Before the question is put, I should like to raise a point of order as to whether the Bill is properly before the House. The votes and proceedings of the House show that the Bill was introduced on July 6 as a normal Bill. It was not founded in Committee. The Bill contains an appropriation in clause 15 (1), which provides:

Every policy or contract of insurance or indemnity issued or entered into within the authority of this Act is hereby guaranteed by the Government of the State and any liability arising under such guarantee shall, without

further or other appropriation than this section, be payable out of the Consolidated Revenue Fund.

There are some Standing Orders covering this matter before the House. The three which I think are relevant are Nos. 286, 287 and 288. No. 286 states:

Every Public Bill (unless transmitted by the Governor by message, or sent from the Legislative Council) shall be initiated either by a Motion for leave to bring in the Bill, specifying its intended title, or by a Motion for a Committee of not less than two Members to prepare and bring it in, or by an Order of the House.

Standing Order No. 287 states:

Every Bill which imposes a charge upon the people or authorizes the borrowing or expenditure of money (including expenditure out of money to be provided subsequently by Parliament) shall be introduced by a Minister.

Standing Order No. 288 states:

Supply, Appropriation and Public Purposes Loan Bills shall be founded upon a resolution of the Committee of the Whole House submitted by a Minister and agreed to by the House.

The question arising on a point of order is whether this subclause is an appropriation. If it is, in my opinion it falls within Standing Order No. 288. I have looked up the authority, Sir Erskine May, by which the procedure of this House is usually determined in these matters. He has laid down, at page 713, that money payable out of the Exchequer under Statute, without further Parliamentary authority, is a charge upon Consolidated Revenue. He goes on to say, at page 715:

A charge must be first considered in Committee of the Whole House, and the resolution of the committee, when agreed to by the House, forms a necessary preliminary to the Bill or clause by which the charge is authorized.

There is not the slightest doubt that this provision falls within the category of what I have mentioned, a charge on public revenue, as set out at page 713 of Sir Erskine May's book, and it must be dealt with as provided on page 715, rule 3. For those reasons, I submit that the Bill is not properly before the House.

The SPEAKER: I rule that the Bill is properly before the House. I draw honourable members' attention to the fact that Standing Order No. 1 applies only where provision is not specifically made in the Standing Orders themselves. Honourable members will remember that the Standing Orders were altered last year and that there is a reprint. The intention of Standing Order No. 288 is that it applies only to the annual Supply, Appropriation and Public Purposes Loan Bills. My ruling is that that

Standing Order applies only to those Bills. Bills of the nature of this one are catered for in other Standing Orders.

The Hon. Sir THOMAS PLAYFORD: I move:

That the Speaker's ruling be disagreed to.

I move that regretfully, Mr. Speaker. Your ruling is not in accordance with Sir Erskine May's authority. What are stated to be specific Bills are, of course, not specific Bills at all and all of the Bills numbered impose a charge upon the people. In those circumstances, it cannot be said that this applies "only": in fact, the word "only" is not involved in Standing Order No. 288, which provides that Supply, Appropriation and Public Purposes Loan Bills shall be founded upon a resolution of the Committee of the Whole House but the general rule is that any charge upon the public must be founded, and we were assured, when these Standing Orders dealing with Committee proceedings were altered, that the alterations were made to bring them into line with the procedure of the House of Commons. I was refused permission to move an amendment to the clause because it was a money clause. We cannot have it both ways. If it is not within my power to move an amendment, then the provision is an appropriation.

The SPEAKER: Is the motion seconded?

Mr. MILLHOUSE: Yes.

The Hon. D. A. DUNSTAN: The honourable member seems to be at pains to contrive a situation here. The clause relating to guarantee to which he refers relates only to a conceivable indemnity to be given by the State. It is not what is a normal appropriation and, in fact, at this stage of proceedings no moneys are properly appropriated. In fact, the honourable member sought to make this a money clause. However, a money clause does not always have to be founded in Committee under our present Standing Orders, but a Minister has to move it. The honourable member obtained an assurance that that would be done and now seeks to rely on that assurance as a means of showing that the Bill is not in order. With great respect, I think he has failed in his argument that the purpose of the amendment of the Standing Orders was that this was to apply to normal Supply, Appropriation and Public Purposes Loan Bills, and that a matter of this kind, seeing that there could be an appropriation as against an indemnity in due course, is not within the terms of that Standing Order.

Mr. MILLHOUSE (Mitcham): I respectfully support the contentions of the member for Gumeracha. If members will turn for a moment to clause 15 (1) of the Bill, they will see it provides:

Every policy or contract of insurance or indemnity issued or entered into within the authority of this Act is hereby guaranteed by the Government of the State

If the subclause stopped there, what the Premier has just said might be correct. However, it does not and continues:

and any liability arising under such guarantee shall, without further or other appropriation than this section, be paid out of the Consolidated Revenue Fund.

In terms this is an appropriation clause: it must be if it used that word. The clear meaning is that that section is an appropriation section. Subclause (2) confirms that, because it states:

Any amount paid out of the Consolidated Revenue Fund pursuant to subsection (1) of this section shall be deemed to be an advance to the commission and shall be and remain a charge on the funds of the commission to be recouped when funds are available.

The word "appropriation" is used. This clause was amended in Committee; the amendment makes it clearly an appropriation clause whatever it was before.

The Hon. D. A. Dunstan: Is that what you set out to do?

Mr. MILLHOUSE: I do not know what was in the honourable member's mind but the effect, for this purpose, was to make it an appropriation clause. Let us take a step further. I remind you, Sir, with respect, that you said that Standing Order No. 1 applied only when there was no specific Standing Order to cover any situation that might arise. Let us ignore that for a moment and consider Standing Order No. 288, which is the only one covering the situation if, as you say, Sir, we must not look at the practice in Great Britain. This Standing Order states:

Supply, Appropriation and Public Purposes Loan Bills shall be founded upon the resolution of the Committee of the Whole House submitted by a Minister and agreed to by the House.

It does not state anything about annual Bills: there is nothing else to consider but the plain words of the Standing Order. There is nothing to help the meaning that it is confined to annual Bills. It does not say so, and there is nothing else to consider if we follow the line of argument you have followed in making your ruling. Whatever else it was, it has become an appropriation Bill because of clause 15, which is a clause appropriating money from the

general revenue. We have an Appropriation Bill: we have Standing Order No. 288, which states that such Bills shall be founded on a resolution of a Committee of the Whole. That is the position if one accepts your view, Sir, that Standing Order No. 1 does not apply.

Let us consider the alternative that it does apply. I know you, Sir, do not. If we do accept it, let us consider Erskine May's comment about the position in the House of Commons. I refer, as I think the member for Gumeracha did, to page 713 of the Seventeenth Edition, which states:

Charges upon the public revenue are divided into charges payable out of moneys to be provided by Parliament, *i.e.*, moneys voted year by year (a) in response to demands presented in the form of estimates;—

it is not that, but it is this one—

and charges upon the Consolidated Fund, *i.e.*, moneys payable (for the most part annually) out of the Exchequer under Statute without further Parliamentary authority.

That is the position in this case, and that shows, I think, that it definitely is an appropriation Bill. So, whichever way we look at it, whether we feel we can look at the House of Commons practice or not, this is obviously an appropriation Bill that should be founded in Committee. For those reasons I must respectfully support the member for Gumeracha in his disagreeing to your ruling, Sir.

The SPEAKER: Before I put the motion, I draw the attention of honourable members to the fact that only last year the Standing Orders were amended to cover this very situation and I hold that, because the Standing Orders now provide for this situation, references to Erskine May are not applicable in relation to the Standing Orders. The explanation given to Parliament when this particular provision was before Parliament was quite clear. It was unanimously accepted by this House. The explanation is as suggested in old Standing Order 283. It does two things: (1) It is made clear that a Bill which authorizes the expenditure of money, including the expenditure of money to be provided subsequently by Parliament, can be introduced only by a Minister; and (2) the cumbersome procedure of founding every money Bill in a Committee is eliminated. That was the explanation before the House and it was accepted by the House unanimously. That procedure is laid down in Standing Order 287, which provides:

Every Bill which imposes a charge upon the people or authorizes the borrowing or expenditure of money (including expenditure out of

money to be provided subsequently by Parliament) shall be introduced by a Minister. That is in keeping with the ruling that I understand the Chairman of Committees gave earlier this evening. Then Standing Order 288 (and I submit that this is what honourable members would be voting on) states:

Supply, Appropriation and Public Purposes Loan Bills—

and I say that the intention of the House in accepting these rules was that they would apply to the annual Supply Bill, Appropriation Bill and Public Purposes Loan Bill—

shall be founded upon a resolution of the Committee of the Whole House submitted by a Minister and agreed to by the House.

The whole exercise of changing the Standing Orders was to provide for the very procedure given there.

Mr. LAWN: On a point of order, I desire to ask whether Standing Order 163 has been complied with.

The SPEAKER: Will the member for Gumeracha bring the motion to the Chair?

The Hon. Sir THOMAS PLAYFORD: Yes.

The SPEAKER: The honourable member for Gumeracha has moved that the Speaker's ruling be disagreed to. The reason for his so moving is that the ruling is not in accordance with Standing Order 288 nor is it in accordance with the practice of the House of Commons on which our proceedings are founded. I feel that I owe it to the House, before putting the motion, to read the two Standing Orders and the explanations again. Standing Order 287, which was adopted unanimously by the House last year, states:

Every Bill which imposes a charge upon the people or authorizes the borrowing or expenditure of money (including expenditure out of money to be provided subsequently by Parliament) shall be introduced by a Minister.

Its purpose was to streamline procedure and to obviate the cumbersome procedure of founding every money Bill in Committee. Then, Standing Order 288 was adopted by the House, in accordance with this explanation:

New Standing Order No. 288 is complementary to the proposed amendment to No. 287. New Standing Order No. 288 preserves the Parliamentary Committee procedure for the annual financial Bills.

It was included in the recommendations that were adopted by this House, which unanimously agreed to No. 288, and I believe I have no alternative but to rule that No. 288 applies, as it was intended to apply, in accordance with the explanation given.

The Hon. D. N. BROOKMAN (Alexandra): I have the right to speak on this motion. With very great respect, Sir, I wish to dispute your recitation of the facts. You said that last year Standing Order No. 283 was altered by unanimous vote of the House. It was not unanimous, because I opposed the amendment.

Mr. McKee: You were the only one!

The Hon. D. N. BROOKMAN: I am merely pointing out that I opposed it. Dealing last year with Standing Order 288 (relating to money Bills founded on a resolution of the Committee), I asked for the reasons for the change. Having received reasons from the Minister of Lands, who was in charge of the debate, I then said:

Well, I am not happy about it. The procedure of going into Committee and founding a Bill in Committee may appear cumbersome. In all, it probably wastes at the most a couple of minutes because there is never any discussion. I point out that there are many more two-minute periods wasted during normal sitting days than are wasted by a little bit of procedure. If the procedure is completely unnecessary and useless, then discard it by all means; but in my view it is not unnecessary or useless, because it provides an opportunity for members to make a protest about it, although I cannot remember when this has been done.

The practice in my experience has always been to give members a good opportunity to air their views in many different ways. Members have never felt the need to use this particular procedure in which to make their views heard, but that does not mean that this opportunity should be taken away from them simply in the interests of what appears at best to be a very small saving in time. I believe the right of members to discuss the motion should be left with them in case they want to use it. We pride ourselves on the opportunities we give members to put forward their views and on the debates that take place. Even though we have not used this particular right in the past and may not use it in the future, I still say that right should not be removed.

Having on that occasion opposed many of the amendments proposed by the Standing Orders Committee, I was unsuccessful on each occasion. However, I still say that it was a rash move to change this particular procedure, and I think it should at least be recorded that it was not a unanimous vote at the time.

The SPEAKER: The degree of unanimity to which I referred concerned the vote; the amendment was accepted without a division.

The Hon. Sir THOMAS PLAYFORD: I point out, Mr. Speaker, that the explanation you quoted has no validity at all in this matter. The explanation relates to one of the reasons that may have been considered by the committee, although I personally did not

consider it. If it applies, Standing Order 288 lays down that the measure shall be founded in Committee but, if it does not apply, I point out that the decisions of Erskine May and the proceedings to be followed under Standing Order 1 must apply. I believe that it is necessary that the forms of the House should be properly followed. The Bill was not introduced in Committee, but I was refused the right to move an amendment, on the ground that the Bill was an appropriation measure.

The House divided on the motion:

Ayes (15).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall, Heaslip, Millhouse, Nankivell, and Pearson, Sir Thomas Playford (teller), Messrs. Quirke, Rodda, Shannon, and Teusner.

Noes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan (teller), Hughes, Hurst, Hutchens, Jennings, Langley, Lawn, Loveday, McKee, Ryan, and Walsh.

Pair.—Aye—Mr. Stott. No—Mr. Hudson.

Majority of 4 for the Noes.

Motion for disagreement to Speaker's ruling thus negated.

The Hon. D. A. Dunstan's motion to suspend Standing Orders carried.

Third reading.

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That this Bill be now read a third time.

Mr. HALL (Leader of the Opposition): I do not want to delay the passage of the Bill to another place, where I hope it will receive acute attention, but I oppose the third reading because the Bill establishes an insurance commission with probably the widest powers of any similar commission in Australia. It empowers the commission to engage in any type of insurance or assurance. Further, not the slightest guarantee exists that the Bill will not be followed at some future time by other legislation providing that certain types of insurance must be taken out with the Government Insurance Office. If that were to happen it would be in line with provisions in some other States; I believe one could expect that it would happen in South Australia.

We have no knowledge of the costs involved in setting up this commission. The Premier has said that he does not know the extent of the costs: he said, in effect, that he had refused to ask himself that question and that the commission would have to examine the business it must carry out and then present the

bill to Parliament. The Premier will not consider what this will cost the State at this time. Also, he is empowered to use the funds of the commission in any way he sees fit. He said that one of the main reasons for setting up this office was to obtain revenue for the State, yet the profitability of insurance business in Australia has dropped to an extremely low level at present. In effect, the Premier said, "Sign here; you will be presented with a bill later." I believe the Premier has refused, or has been unable, to act responsibly in presenting the Bill, which incorporates the expenditure of State money. For those reasons, which were thoroughly discussed during the passage of the Bill, I oppose the third reading.

The House divided on the third reading:

Ayes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan (teller), Hughes, Hurst, Hutchens, Jennings, Langley, Lawn, Loveday, McKee, Ryan, and Walsh.

Noes (15).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall (teller), Heaslip, Millhouse, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Quirke, Rodda, Shannon, and Teusner.

Pair.—Aye—Mr. Hudson. No—Mr. Stott.

Majority of 4 for the Ayes.

Third reading thus carried.

Bill passed.

LAND SETTLEMENT ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

REAL PROPERTY ACT AMENDMENT (STRATA TITLES) BILL

Adjourned debate on second reading.

(Continued from July 20. Page 758.)

Mr. MILLHOUSE (Mitcham): I very much regret that the Government has taken this step of bringing on this Bill tonight. The history of the Bill is that it was introduced last Tuesday. It is a long Bill on a complex topic. The Government wanted the Opposition to proceed with the debate on Wednesday but that, luckily, did not transpire. However, because of the difficulties into which the House fell during the absence of the Premier, I gave an undertaking on Thursday afternoon to continue my speech.

I spoke to the Bill for some length on Thursday afternoon, and then asked permission to continue my remarks. My purpose in asking for leave and being granted that leave by

the acting leader of the Government (the Minister of Works) was to enable this Bill to be considered by the legal profession and others concerned with land transactions so that they might be able to suggest any necessary amendments. The Premier knows very well that this process takes time; I say advisedly that it takes a matter of weeks to do this. Since last Thursday I have done my best with this Bill. I have been in touch with the Chairman of the Legislation Committee of the Law Society, but he had not even received a copy of the Bill. In order to get their views on the Bill I have been in touch with practitioners who handle this type of work. It is unreasonable for the Premier to suggest that we should go on with this now. Further, all of us had been expecting the Licensing Bill to come on. I have spent every moment that I have had available since last Thursday preparing for both the State Government Insurance Commission Bill, with which we have dealt, and the Licensing Bill. Surely to goodness, if the Premier is going to chop and change in regard to the Notice Paper, he can at least warn us of the order in which he wants the business to be taken.

The Licensing Bill is one on which all members have had many representations. I have been busy having amendments drawn, and this has been a full-time job. Who would have expected the strata titles Bill to come on tonight, especially in view of what I have said? If the Premier wants to have a Bill that is generally accepted throughout the community, surely the thing to do is make sure that the community can see it and make reports about it. In this way, it is not dissimilar to the Licensing Bill, and he has followed that procedure on that Bill. There is no dispute between the two sides about the wisdom of introducing a scheme for strata titles. I support that and I think every other member on this side supports the principle of having separate titles for home units. We are concerned about making sure that this is a scheme that works. I have grave doubts about that and on Thursday afternoon I put the doubts that I have been able to get together.

Does the Premier want to have decent legislation in this House? If he does, he will allow a further adjournment so that people can look at the Bill and make further representations. On the other hand, is he keen to push things through as though this were a sausage machine or something to rubber stamp what he brings in without anyone having a real opportunity to consider it? I cannot believe that that is

what he wants, yet that is what he is doing if he obliges me to go on tonight. It was only 10 minutes ago that I was told that the Bill was to come on. I have all the Licensing Bill material here and have been working on that. I hope that I do not sound as though I am speaking in a spirit of complaint: I only want to make sure that this Bill gets all the consideration in the community that it can get.

I have, at considerable inconvenience to myself and to the Industries Development Committee, which put off a meeting on Thursday morning so that I could get on with my preparation, done everything that I could to facilitate the passage of the Bill. I spoke on Thursday afternoon. The Bill is of such a nature that it should be considered carefully. Yesterday I was in communication with Mr. Ward, the Chairman of the Legislation Committee. He said that, as yet, he had not seen the Bill and he undertook to call the committee together to examine it as a matter of urgency.

I ask the Premier whether he will, in those circumstances, allow me further leave to continue my remarks. This Bill is non-political, but in the scheme of it and in its drafting it is controversial, and we all want to get through the House the best Bill that we can. We cannot do that if a 57-page Bill is to be pushed through in the time allowed so far. I therefore seek leave further to continue my remarks.

The Hon. D. A. DUNSTAN (Premier and Treasurer): No. If the honourable member—

The SPEAKER: There being an objection, the honourable member must proceed.

Mr. MILLHOUSE: I am very disappointed that the Premier has taken this view. I cannot take my detailed analysis of the Bill further at this stage, because I relied on the understanding I had with the Minister of Works that time would be allowed for it to be looked at by the community generally. What do you expect me to do? How do you expect the Bill to be considered amongst members of the profession?

The Hon. D. A. Dunstan: You have had time to consider this—a darn sight more time than we were given to consider similar Bills when we were in Opposition. You have been complaining about our not doing something for the building industry and for employment, yet you are not prepared to debate this most essential and urgent measure.

Mr. MILLHOUSE: No, because you gave us to understand that we were going on with

the Licensing Bill—and we were, until 10 minutes ago.

The Hon. D. A. Dunstan: The only reason we are not is that we are trying to get the necessary amendments that your members wanted at the last moment.

Mr. MILLHOUSE: Ten days ago I went to the Parliamentary Draftsman with my amendments on the Licensing Bill and did not get them until yesterday. The whole point is whether we want decent strata titles legislation or not. Do you want people to have a decent look at the legislation or don't you? Don't you care what the legal profession thinks about the Bill? Are you going to give them the opportunity to consider it? The Premier is denying our colleagues in the profession, those in the real estate field, and everyone else concerned, the right to look at the Bill. I have done my best to circulate copies of the Bill. What does he expect?

The SPEAKER: Order! I must ask the honourable member to speak to the Bill; that point has been canvassed.

Mr. MILLHOUSE: If this is the way the Premier wants to conduct the business of the House, if this is the way he is going to treat us as Opposition members and to treat outside interests who have an interest in this matter, and if he is not going to do what his colleague the Minister of Works told me by implication would be done (that there would be a decent interval to consider the Bill), there is little more I can say. The Bill will have to go through in its present form. Does the honourable gentleman propose that it should go through Committee now or be taken only to the second reading stage? I do not know who is ready, but it is grossly unfair to let us know that we are going on with the Licensing Bill (and to spend this week on it after the debate on the insurance Bill), and then suddenly to swing in a Bill requiring much work. That is not the right thing to do and I am surprised that the Premier should do it. Obviously, he does not care whether Bills go through in a decent form or not. All he is interested in is pushing them through. I protest emphatically and I am disappointed in his attitude on this.

The SPEAKER: If the honourable the Premier speaks he closes the debate.

The Hon. G. G. PEARSON (Flinders): From the time the Bill has been on file I have done my best as a layman to appreciate what it contains. I do not consider it to be a layman's Bill: it is a specialist Bill, and should be scrutinized

by the legal profession, by people with certificates for licences to operate in real estate matters, and by builders. If they are satisfied with the provisions then it should and would be of substantial benefit to the community generally. I say to the Premier, and I hope he is listening for a moment and will do me the courtesy of giving me his attention, that I am glad this Bill has been introduced. I welcome it as a contribution to the solution of a problem.

Whether the Bill solves all the problems is a matter that I shall try to discuss at greater length later. However, it is obvious that, with the type of building now proposed and indeed being built in the modern cities of the world (and Adelaide and country towns are no exception to this rule), a clear definition of the titles pertaining to properties of an involved structural nature is essential. As members will know from the daily press, there is a proposal for a most imposing building to be erected on the foreshore at Port Lincoln. I have been informed by the promoters of this enterprise that they are awaiting a Bill such as this. I was asked a fortnight ago when the Government would be introducing it and what it would contain. My reply was that at that stage notice of the Bill had been given (I think I was correct in that) but I had no idea what it would contain; and that, when the Bill came before the House, I hoped it would be of such a nature as to define clearly the limits of separate ownership and it would enable a clear title to be issued without any problems attached to it so that not only the owner but the Government authorities involved (the Registrar of Titles and other people) and the financial institutions at present inhibited from accepting involved structures of this kind as a first-class security for first mortgage advances would be able to proceed with some confidence, and all parties would know exactly where they stood.

So, although I agree that such a Bill is necessary and timely, I do not agree with the rather impassioned comment of the Premier in reply to the member for Mitcham a few moments ago when he said that the building industry was waiting for this with bated breath and the passage of this Bill would make a great contribution to the restoration of the building industry. I hope the Premier does not talk about this sort of thing on the radio and accuse the Opposition of delaying the passage of the Bill, thereby holding up the total recovery of the building industry—because that is

not true. This is certainly one aspect of that industry that could be stimulated to some extent.

After all is said and done, although I have said that this Bill is necessary and desirable, I do not agree that the lack of this legislation is at present any real impediment to the building industry as a whole. There are, of course, promoters anxious to go on with this sort of building, and this is a good time to let a contract because building is highly competitive, particularly in the metropolitan area and its environs. However, the Bill will assist to some extent. Although I am anxious to secure the passage of legislation that will contribute to this end, I am not so anxious that I am prepared to accept the Bill as presented to the House without much qualification, and certainly not without much detailed study. Late on last Thursday afternoon the member for Mitcham agreed to commence discussing this Bill, as he said tonight, he studied the Notice Paper and noted the order of Government business for today and, consequently, he worked on the Licensing Bill in the expectation that it would follow the passage of the State Government Insurance Commission Bill.

Mr. Millhouse: The Premier himself told me this yesterday when I saw him in the lift.

The Hon. G. G. PEARSON: Because the member for Mitcham was obliged under Standing Orders to take up the debate tonight, he had no option but to continue as best he could when this matter was called on. However, he found himself unable to continue as he would have liked to do because he had been devoting his attention to other matters. This is doing a great disservice to Opposition members because we do rely on the members for Mitcham and Angus, the only two members on this side of the House who are members of the legal profession, to examine Bills of this nature thoroughly and to guide those members of the Opposition who are laymen. So, we are now virtually deprived of the services of the member for Mitcham in the second reading debate; he has been forced to continue his remarks and to conclude them, and I join with him in protesting at this action of the Premier.

During the weekend I did the best I could to look at this Bill in broad principle and I came to certain conclusions about it. First, I agree that it does do what I hoped it would do, in one respect: it does set out clearly, if my interpretation of the relevant clauses is correct, what are the limits of a separate

ownership. In a group of buildings, whether they be at ground floor level or in the form of high rise flats or limited high rise flats, the boundaries of the separate ownerships are clearly defined. The Bill states that the boundaries of properties shall be limited to a point half way through the common wall, where the two properties are side by side. Also, the boundary shall be half-way between the lower edge of the ceiling and the upper edge of the floor, in the case of buildings of two or more storeys.

Also, it shall be half-way through the fence between two adjoining properties. I do not know how the Premier would divide a sheet of galvanized iron into two parts but, at any rate, that is what the Bill does, and I suppose it is the only kind of definition we could have. This poses some problems, because an iron fence is composed of posts and railings on one side and sheets of galvanized iron on the other side. What is half of that fence? I do not know; I presume that the owners must work it out between themselves. Regarding owners of fences in broad acres, I understand that one owner is responsible for one half of the fence where it adjoins the neighbour, who is responsible for the other half. That is perfectly simple (or at least it used to be) so long as each man does his share.

Mr. Nankivell: That's a gentleman's agreement.

The Hon. G. G. PEARSON: All I can say is that all my neighbours have been gentlemen.

Mr. Quirke: And, incidentally, you've always been lucky!

The Hon. G. G. PEARSON: True, although I have only one neighbour, because the rest of my boundary is roadway. Be that as it may, I think it is an amicable and equitable arrangement, provided each party does his share towards maintaining his portion of the fence in proper condition. I commend those responsible for drafting that part of the Bill relating to the definition of the limits of separate ownership. However, other parts of the Bill will not be so easy to operate.

Mr. Millhouse: Or easy to follow!

The Hon. G. G. PEARSON: True, although I am a farmer, not a surveyor or a legal man, and I should not be surprised if some of the Bill's provisions were difficult for me to understand. However, the parts that I do find difficult to understand are very involved indeed; in my view, they set up machinery which is cumbersome and clumsy and which

will be the cause of much litigation and ill-feeling amongst adjoining owners in regard to the provisions of joint ownership of common property. Indeed, most of the Bill deals with that matter. The real problem concerns setting up machinery that will cope with the difficulties of administering property of common ownership. Even in respect of separate ownership, the question has been raised as to what will happen in respect of faulty wiring that is laid in the floor of the house above. If the electrician dares to dig more than half-way through the ceiling, he is trespassing on someone else's property. Similarly, if something goes wrong with a water pipe encased in a wall, the plumber who proceeds to uncover the pipe to see what has happened may well knock the plaster off the neighbour's wall.

However, I do not foresee great difficulties in that respect; I think these are general problems associated with this kind of ownership. If the would-be owner understands these things when he buys title to the property he usually lives with the situation during the time of his ownership. The Bill also deals with the land on the site (the site being the whole area of the land on which the buildings are constructed). It assumes, quite rightly, that the building itself will not occupy the whole of the site. Indeed, the Building Act would provide that some air space must be left around the building, and that Act is cited in the Bill as being something that the proposed developer would have to observe; in fact, he cannot get a permit to go ahead with a building unless the local council has seen the plans of the proposed building and approved them in terms of that Act.

This is not, of course, the whole of the problem for the promoter. In addition to getting his permit under the Building Act and regulations, he has to go along to the Lands Titles Office and to the Director of Planning and possibly to the Planning Appeal Board. Also, for some unknown reason that I cannot fathom, he has to get his title endorsed by the Commissioner of Land Tax. I cannot for the life of me see why this is necessary. Undoubtedly, the Commissioner is interested in the value of the land for taxation purposes, but why does he have to endorse these titles? He does not have to endorse the title for a separate building erected on land; he does not have to endorse a Torrens title where broadacres change hands; and he does not have to agree to a subdivision of broadacres or leasehold land into separate or smaller parcels. As far as I know, he does

not have to attach his signature of approval when someone buys broad acres and cuts them up into building blocks. In fact, he is concerned only with being able to identify a piece of property and to apply a valuation to it for taxation purposes. He is concerned with land tax as such.

Therefore, just why the Commissioner of Land Tax has to be brought into this as an additional authority required to vet a title and sign his approval to it I just cannot understand. I point out that other authorities concerned with taxation of land and property do not also become involved in this matter. The Engineer-in-Chief, for example, is obliged to rate land for the purposes of water rates, and he has equally as much interest in this land as has the Commissioner of Land Tax. Why, then, is he not required to express his approval of the title? The local government authority is interested in the title for the purpose of council rates, but that authority does not have to express its approval of the title as such. That authority examines the proposed plans to see that conditions of the Building Act are being observed, but it is not concerned with the boundaries and definition of the limits of the title.

The Engineer-in-Chief finds it possible at present to apply a rating to all buildings that are capable of separate occupation. He simply decides that a shop with a house attached carries one rating, and where a building is cut up into separate occupancies he assesses each separate occupancy for water rates. Everybody realizes that he finds it possible to do this. The Minister of Works knows that the Engineer-in-Chief sometimes gets into arguments with owners who object to the fact that although there is only one meter on the block of land there are three assessments on it. Of course, the reason for this is that the Waterworks Act provides that any building or part of a building capable of separate occupancy is assessable. I just cannot understand why it is that the Commissioner of Land Tax has to be given some special power in the matter of titles and signing his approval of them.

As I have said, the Bill provides for the definitions of separate ownerships, and this is reasonably straight forward. It then goes on to state what shall be done and who shall control, and in whose name is to be, the title for that part of the block of land (the site as the Bill calls it) that is not a part of the separate ownership as such but belongs to the group of

people who inhabit or own the building. This land it calls the common property. For the purposes of controlling it, the Bill sets up a corporation in which is to be vested the title to the common land. This may be a piece of lawn, part of a driveway, the area of land on which the clothes line is erected, the tradesmen's entrance to the building, or any piece of land that is not attached to a separate ownership as such.

The Bill provides that there can be attachments to separate ownership. For example, a person owning a section of the tenth floor of a block of residentials can also own a piece of ground on the site on which he has a garage for his motor car. This can be attached to his title and is defined as part of his separate ownership and part of his asset security. In addition to this, there are of necessity certain areas of land that are utilized by all the owners on the site. To a large extent this is unavoidable, and some provision has to be made for it. Therefore, the corporation is to be set up and will own all the other bits and pieces of land, such as a few square yards of lawn or concrete paving, part of a driveway, land on which a clothes line is erected, or something of that sort. However, some things do not appear to have come within the ambit of the Parliamentary Draftsman's eye. For example, on a high-rise building there will obviously be separate drainages. It would be quite uneconomic for the promoter to build a building that had separate sewerage connections for every floor. I believe he would probably design an outside pipe that would be a common disposal pipe for waste water from all the occupancies.

Mr. Nankivell: There could be a central column.

The Hon. G. G. PEARSON: Yes, a central column, hollow down the middle, that would accept the drainage water from every residence. However, whatever the promoter provided, he would not provide separate items for this purpose but something that would accommodate each floor. Similarly, the water services to the building would certainly not be separately metered and piped from the site level to the top of the building. Undoubtedly, a builder would carry up a pipe of sufficient capacity to provide a good supply of water to every ownership.

Mr. Nankivell: It could be metered on each floor.

The Hon. G. G. PEARSON: That is not in-possible, but I imagine that the Director and Engineer-in-Chief would not approve of it

because either he would have to read meters inside or erect ladders on the outside of the building so that the meters could be read. This is not necessary anyway. There are such things as drains and sewers; disposal of waste liquids of various kinds; water services; fire protection services; and lifts in high-rise buildings. There may be air-conditioning equipment to service the whole of the building from a common plant (that would obviously be the most economic way to do it)—all the ducts, appurtenances and controls associated with such equipment in modern times.

All these things could be and almost certainly would be a part of the common problem. The Bill provides that the unit entitlement, that is, the part of the property owned by a separate owner, will be expressed in whole numbers. I am wondering what is meant by that. I think this does not refer to dollars in value expressed in whole numbers, but to a percentage of the total value of the whole structure. I do not know of any other intention this clause could convey.

The next page of the Bill provides that alterations to titles require attention by the court, and that a court order must be issued before the Lands Titles Office can register a change in ownership. I am getting now to some of the real objections to this legislation and to some of the matters that are extremely cumbersome and clumsy. Later, I want to suggest what I think is a way of overcoming some of these problems. Why on earth should the owner of a piece of property have to go to the court and get the court to notify all parties concerned to change the title and the ownership of the title?

New section 223mf is the one I am referring to. Almost the whole of the section deals in various ways with this problem. A person should not have to go along to the court to apply for a transfer of freehold property, under the normal sense of the word. If it is freehold and unencumbered, no questions are asked. The application for transfer is made and the Land Titles Office effects the change, which is recorded in the assessment book of the local government authority, and by the Commissioner of Land Tax, and so on.

If this title is what it purports to be, in other words a clear and negotiable instrument on which a lending authority can with some confidence readily assess its security and make a loan thereon to the applicant, why is it not

negotiable in the same way that ordinary freehold titles are negotiable, and why is it necessary to obtain an order from the court to effect a change of ownership? The only reason I can think of is the share in the ownership of the common property, which is part and parcel of the ownership of the separate property. If in this legislation we could eliminate some of the machinery for management and control of the common property, I think we should clear away many objections and provide for a clearly definable and negotiable title. That is what the public wants, but we are not getting it in this Bill.

The successful operation of the Bill depends upon the carrying out of the various procedures of the corporation, which will comprise each separate owner of property on the site. The Bill makes mandatory that, in respect of common property and its management, the corporation hold a meeting every year, if not more often. Any matter about management that arises must be resolved by a meeting of the corporation. Resolutions and proceedings of the corporation are to be duly entered in a minute book. A resolution will be deemed to be carried if two-thirds of the people owning property on the site are represented thereon and vote.

I see a difficulty, in that with the best of intention circumstances may arise where there is not unanimity among members of the corporation. For example, assume that four of five houses in a high-rise block are owned by members of one family and that that family decides that it desires a nephew, who wants to get a house, to join them. Assume that they hold a meeting in solemn conclave and that four of the five vote to do something that is objectionable to the fifth owner, who is the odd man out. In those circumstances, life could be so intolerable for the unfortunate fifth family that they would be forced, under the duress of the other owners, to get out.

It may be said that that is an extreme case. This Bill has been drafted carefully in order to cover any possible eventuality, and I pay a tribute for that. However, the operation of the Bill is left open to this abuse and I do not see any remedy as the Bill is drafted. The corporation may appoint a manager to manage the joint property. That is essential, because someone must be responsible for engaging tradesmen, having repairs effected, getting a lift repaired, and so on.

Mr. Coumbe: An executive officer is needed.

The Hon. G. G. PEARSON: A nominal executive officer is needed for this and to deal with documents. This person, the managing agent for the corporation, must manage the common property. He accounts for his actions to the corporation at an annual or monthly meeting, and can be questioned for what he may do. I foresee the position where he may, in an emergency, have to commit the corporation to spend a substantial sum.

Mr. Coumbe: Someone has to sign the cheques.

The Hon. G. G. PEARSON: Exactly. But the corporation may not approve of his actions, and they fall out. Also, he may have many other obligations, as his position would be similar to that of a manager of an estate. The Bill has one weakness: it does not provide for resolving conflicts of opinions and arguments that may develop in relation to this matter. No redress exists for aggrieved parties against action taken by the manager of a corporation. Where the corporation votes to spend money, the Bill provides that it can recover in court from a reluctant owner his share of the money spent.

What a cumbersome procedure. In a group there may be one difficult person who causes a difficult situation. This is inherent in this kind of ownership, and may not be avoided. Although no provision exists for a quick and final determination of these disputes, I think there should be such a provision. I believe the Government will be well advised to appoint a responsible person from the Lands Title Office, if necessary. Because of his office, he would be available and the parties would be obliged, in the event of a dispute, to place the matter before him and to accept his arbitration. This procedure would work and, if many of these dwellings are to be erected, such an officer will become essential. If he were experienced in these matters he could and should be clothed with sufficient authority to hear the dispute between the parties, to determine properly the dispute and his judgment should be accepted as final by all parties. This procedure would prevent time-consuming litigation between normally amicable neighbours.

I have said that so much of the successful operation of the whole arrangement depends on the way in which the members of the corporation can meet and resolve all the problems that occur from time to time—and they will be real problems. There is nothing like

rubbing shoulders with the woman next door and seeing her too much to build up problems. We all know that people live a little too close to one another sometimes to be able to keep good relationships extant all the time. One other problem about the corporation is that changes of ownership require changes of names in the corporation, and the document concerned is a registered document. That is tantamount to altering the membership of a partnership, where every single person must sign to accept the change of ownership. This is not the kind of thing that provides easy negotiability of ownership. It is putting difficulties in the way of easy negotiation, something that I thought this Bill was setting out to provide.

May I suggest one or two possible improvements? I have given some thought to this matter in particular because I am anxious, as I said at the outset, to see a really good, workable, streamlined piece of legislation come on to the Statute Book. I do not know where the Government has taken its cue from in this legislation: I presume it is provided by the experience of people in other States, and the Premier may well say that similar legislation works in other States. Maybe it does, but, even so, there is no reason why we should not aim at something better.

New section 223nc (5) contains the key to the suggestions I have to make. Indeed, it anticipates something similar to what I have in mind: that, instead of a corporation, a person owning a certain unit on the site should be deemed *ipso facto* to be the owner of the common property, which, of course, he would hold in trust for all the other owners in their respective shares. He would be responsible without any further legal provision, without any meetings in solemn conclave carrying resolutions and having majorities and quorums, varying according to the number of owners on the site, etc., which this Bill has clause after clause and page after page to deal with. Let us disregard all that and say that the owner of house No. 7 or house No. 1 (as the case may be) is deemed to be the owner in trust for the other owners of the common property, that he is *ipso facto* the manager of the common property on behalf of the others. Indeed, this clause, which provides for what my friend from Torrens recently suggested—an executive officer on behalf of the corporation—contemplates just such an arrangement; only the Bill provides for so much other machinery to get to that point. This is where we start, not finish.

The owner of a certain house on the site is, as I said, the owner of the common property in trust for the others: he is the manager for them. He manages it at joint cost for the other owners, who contribute their share of the costs. In the event of a dispute about any action he takes or intends to take, or any action that any separate owner may take or intend to take, the Registrar-General of Deeds or some other officer appointed by him will be the court of appeal, whose decisions shall be final and binding on all the parties. Summarizing, I believe that it obviates the formation of a corporation and the compilation of a constitution for the corporation.

The Bill provides that there shall be a constitution for this corporation (registered, I presume). It provides that a corporation shall be set up, that every change of ownership shall be registered, that an alteration of the title must be ordered by the court, and that the corporation shall hold meetings and keep minutes concerning what shall be done with the common property. Let us get rid of much of this machinery. My suggestion avoids the formation of a corporation; it avoids the making of a constitution; it avoids the holding of meetings, the keeping of records and minutes, and the appeal to the court as a court of law.

My suggestion provides for an appeal to an arbitrator who, I have said, should be a responsible person with a knowledge of these matters and who is able to make an equitable determination of the matter in dispute. It is provided that the owner of the joint property shall notify all the owners of his intention to make contracts prior to making same, where practicable. In this way separate owners will be aware of, and able to discuss, object to and offer suggestions concerning, his proposals. He is empowered in case of emergency (if the lift breaks down or the water service is not working) to effect repairs as quickly as possible. I would also provide that any owner of any property on the site might initiate any matter with the controller or the manager and request action.

This is as far as I could get with the Bill, and I admit that my examination of it is incomplete. However, I have tried to make constructive suggestions. It is impossible for me to frame amendments to this Bill to give effect to what I have proposed because my suggestions cut fairly deeply into the structure of the whole Bill and would, in my opinion, necessitate the

redrafting of many of its clauses. However, what I am suggesting could be provided in the Bill in another form. The scheme proposed arrives at a point where a single person becomes responsible for the management of a joint property, so why not arrive there at the very beginning? Only the Government itself can reconstruct the whole Bill.

I am anxious that this legislation will work because we need it. It is sensible and constructive, and it will overcome a very real problem existing at present. I have it on impeccable authority that this kind of ownership is not acceptable to many financial institutions for the purpose of making loans on such properties. Although I do not know whether all lending institutions adopt this view, I know that at least one important organization concerned with home ownership will not make advances on this type of ownership. That organization is anxious to finance buildings constructed according to strata title plans, provided the title is a clear one, easily negotiable, something that is definable in all its aspects, and not obstructive or involving too much red tape in transfer negotiations.

The metropolises of most of our large cities today demand this type of structure to cope with the growing population. I believe the Bill makes an honest attempt to resolve a problem that exists but in my opinion the measure is open to criticism in respect of the points I have made. I hope the Government will note my suggestions; indeed, it may be necessary to delay the Bill for a week or two in order to enable many of its aspects to be considered and improved. I believe that at present the Bill does not achieve the objects that it purports to achieve. I do not believe that lending institutions, which today are not prepared to make advances on home units on common sites, will eventually not find the Bill acceptable to them. Improvements to the measure would give that impetus to the building industry, which the Premier has suggested is so vital and which all of us desire.

Mr. COUMBE (Torrens): I support the principles contained in the Bill, which is a measure to which I and every other member on this side have looked forward for some time. However, the Government seems to be going the long way around achieving what it actually seeks to achieve. I was rather appalled when I first saw the Bill to find that it took about 57 pages to achieve what at first sight seemed a simple end. However, I appreciate that problems are involved in this matter. In the time

that I have had available to me, and bearing in mind the reference by the member for Mitcham earlier this evening to the *contretemps*, all I can do at this stage is give a broad outline of my views on the matter and indicate the difficulties in which I find myself and in which other members will find themselves, especially if the debate is taken much further.

I found that, whereas clause 11 of the Bill appears at page 3 of the print, clause 12 appears at page 53. Clause 11 is therefore the nub of the measure, containing no fewer than 50 pages. The Bill is not easy to grasp. However, it is not a political measure, for I believe that all members have been looking forward to it and will support it in broad principle, although their approaches to the debate may differ. If the Bill passes on a benefit or protection to a certain type of house owner, or potential house owner, and if it in some way stimulates house building in this State, it should be supported. There is no doubt that a definite place exists in our community today for home units. It is a fact of life, of course, that some people like to have their own house on their own little quarter-acre. Some people prefer flats, and others prefer home units; it all depends on the outlook of people, on whether or not they have children, and on their financial means.

The people who seem to prefer the home unit (I am speaking now of the metropolitan area) are childless couples, retired people, and widows and widowers. Many of these people are in their sixties and seventies. Many pensioners and superannuated persons have saved for their retirement and now have a modest capital with very little income, and they look forward to security, privacy and comfort with not a great deal of housekeeping or gardening involved with the house in which they want to live for the rest of their lives. I suggest that the people who go in for this type of home unit are in the main that latter class of people or childless couples, including, of course, those whose children have grown up and moved away.

The areas where these units are especially suited are more particularly some of the older suburbs. I cite here those units that I have seen in my area at Walkerville, especially those adjacent to the Buckingham Arms, some in the Unley area, and quite a few in the Burnside area. Those areas are ideal in many cases for suburban development. Many of the councils welcome this type of construction because it immediately means that they get an increase in

their ratable income on the same land area that normally would be occupied by possibly only one or two houses. Of course, the public utilities themselves lap it up because they benefit directly through having all these people living on a main that passes such an area: they do not have to provide long extensions.

Home-unit building has really come to the fore in South Australia in recent years and has radically changed certain areas in many districts. Of course, it is a new phase or a new mode of living for many people. I think we should ask ourselves why it is that there are so many vacant home units at the present time. I could take honourable members to quite a number of very attractive modern home units in my district, especially in the Walkerville area, some of which have never been occupied. We should ask ourselves why it is that these are empty when there is a crying need for housing for many types of people. I would say that there are several reasons for this, the first being the price that is asked by the developer or the builder for these units. In many cases that I know of a price has been asked but not accepted; the units have remained vacant for quite a time until the developer has substantially reduced the price sought, and then they have been occupied. I would say that the price of the unit is the main stumbling block.

Mr. Clark: What sort of a price has it been?

Mr. COURCE: Fantastic prices have been asked for some of them.

Mr. Clark: They vary, don't they?

Mr. COURCE: Yes. I could take the honourable member to some that probably would go for between \$8,000 and \$14,000. The lack of finance, of course, is an important aspect. In many instances people simply do not have this kind of money. Further, the position is aggravated because the banks and other lending institutions do not consider this type of unit at this moment as suitable equity or security for mortgage purposes.

Many people would go into one of these units if they could arrange mortgage finance but, in the main, the banks will not accept home units as equity for such loans. Therefore, money cannot be raised. Although not all who go into home units are elderly, I point out that elderly people going into them are looking for security in their retirement.

If we are to have legislation to overcome this problem, we have to look at it in several ways. I believe that any legislation should

clearly define the rights of ownership and the rights involved in communal living so that we can have actions of all owners that are conducive to pleasant living in the area. These rights must be clearly stated in any Bill we have before us on the matter. Also, we must definitely define the obligations of the common owners. I have looked through the Bill as carefully as I could in the short time I have had to do so and, frankly, I can see that many clauses deal with some of the aspects to which I have referred, but I have not been able to absorb them all. Indeed, I suggest that no member has been able to absorb all the details of the Bill as it is being rushed through by the Premier. There is much detail in one large elephantine clause. The Bill seems to me to be at the least cumbersome and the Government seems to be going the long way around in this case. Certainly it is a Committee Bill and, in Committee, we must examine it to see whether it can be simplified and streamlined.

One feature in the Bill that I like is that single-storey multiple home units are to be included, which I think is worth while. In my district there are several single-storey home units built on fairly narrow blocks of about 60ft. frontage. They are built end on to the street with five or six units in the one building. Much of this building is proceeding as opposed to the rather large expansive, as well as expensive, village type of development to which I could take members.

In Committee I think we might examine some of the suggested improvements put forward by the member for Flinders, to whom members are indebted, as his suggestions might well simplify the measure. I am concerned about the provision to set up a committee of owners to form a corporation, and I am also concerned about the ability of elderly owners to understand all the implications of the operations of the Bill and how the corporations will work. Although we may wish this matter to work well, with all the goodwill in the world we will get someone who will be contrary and act capriciously. Even in this House, where we are all personal friends, some members can be extremely critical. Therefore, when these corporations are set up someone may get a bit cranky and cantankerous and upset the harmonious working of the corporation to the detriment of the majority. Will these people be capable of using the somewhat complicated machinery that will be set

up by the Bill, and can they afford the fees and costs involved?

I should like the Government to think about this aspect, because Government members will probably have in their districts in years to come (if they are still the members for those districts) some of these problems to try to sort out. If they are not careful they will be called in to be home advisers and family welfare officers. The Bill is complicated, because it mentions "unanimous resolution", "special resolution", and how the minute books are to be kept. The corporations have to be registered at the Companies Office. These are not simple matters. Other States' legislation has been cited, but if this is based on the New South Wales legislation, and that is the best in Australia, I am disappointed. When the Bill reaches the Committee stages, it should be streamlined. As the member for Mitcham rightly pointed out, members of the Opposition have had little opportunity to consult the people involved in the day-to-day operations of the Bill. Has the Government seriously consulted or shown this Bill to, say, the Real Estate Institute?

Mr. Hughes: It has.

Mr. COUMBE: I wanted to know that, because I could not ascertain that earlier. The Real Estate Institute, building societies, lending institutions, banks and the Law Society, to mention a few, should be consulted. The Opposition, which has the equal right and duty to consult these people, has not had the time to do this. The Government should consult these people, so that they may give their imprimatur to the Bill. The member for Mitcham referred to the Chairman of the Legislation Committee of the Law Society, who said that he had not even studied the Bill. At that stage the Government had not consulted the committee on the Bill. I support the principle involved in the Bill, which is going a long way around to achieve its objectives. It is essentially a Committee Bill, and when it reaches the Committee stage, and especially marathon clause 11, it should be streamlined.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 10.35 p.m. the House adjourned until Wednesday, July 26, at 2 p.m.