HOUSE OF ASSEMBLY

Wednesday, October 4, 1967

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

QUESTIONS

LIBRARY SERVICES

Mr. HALL: I refer to the report of the Libraries Board of South Australia, which was tabled yesterday and the substance of which is reported in this morning's *Advertiser*. The newspaper report states that, although the Libraries Board has a new building, the board may have to curtail services. The report goes on to state that the Chairman of the board has said that services have been retarded during the year because of restricted funds. The report of the Chairman's statement continues:

In these circumstances the board is faced with the prospect of a diminution of the efficiency of the library by one or more of three ways: by allowing vacancies to remain unfilled; by decreasing expenditure on books for the reference library; or by curtailing the services which the community expects from a State Library. Since it is the primary duty of the board to maintain the book stock of the reference library at least at a minimum level of efficiency, it seems that the board may have to resort to the third choice of curtailing services.

Because the Government considers that sufficient funds are available to enable an extra week's leave to be granted to the Public Service and also because the Government considers that the community can afford the cost of additional long service leave, does the Minister of Education consider that he could also find funds to sustain the Libraries Board's services?

The Hon. R. R. LOVEDAY: The Leader knows well that the funds provided for the Libraries Board have been increased. Although the increase is not sufficient to provide for additional staff, the Government is doing all it can for the library. When we came into office, I inspected the library premises and also those of the Adelaide Museum, and I was appalled at the conditions under which people had been working in those places for many years. We are doing all that we can to rectify those conditions and I assure the Leader that, when we have sufficient funds, the library and the museum will receive assistance in that regard.

Mr. MILLHOUSE: If I understood the Minister correctly, he said he was shocked at the accommodation provided at the library and the museum when he came into office. However, I point out that tenders for the new library building were called by the previous Government in June, 1964. The following is an extract from the report of the Libraries Board for this year:

In 1966-67 the grant to the board for books and salaries for the State Library was only $31,376 more than in the previous year despite continuing regular increases in salaries and prices of books and periodicals.

I notice from the Estimates that the increase this year is rather less than that—about $29,500. Of course, those Estimates would have been prepared before the Government was aware of the report that has now been tabled. In view of the statement in the report to the effect that this is a period of great financial difficulty or stringency for the library (and, I understand, the museum as well), will the Government, even though it is short of money (as I think we all appreciate it is), reconsider the amount allocated for books and salaries for the year 1967-68?

The Hon. R. R. LOVEDAY: The Government is no more able to reconsider this situation than to reconsider the situation in other places. I point out that, when asking his question, the Leader spoke about a report dealing with the services provided by the library. However, the member for Mitcham has spoken about the building of the new library. As everyone appreciates, it is not a question of the building but of the service that can be provided by the staff. The previous Administration allowed the staff position at the library to run down to such a serious extent that the position cannot be remedied in a short time. I see the honourable member for Gumeracha grinning, but the salaries of the library staff were so much below those in other States that many of the best men migrated to the other States, with the exception of the State Librarian, who stayed on in South Australia at considerable financial sacrifice to himself, and I appreciate his action in that regard. The staff position at the library had completely run down over the years under the previous Government and this is the whole trouble regarding the service it provides.

Members interjecting:

The Hon. R. R. LOVEDAY: In fact, many of the library staff were housed in a make-shift building at the back which was so hot in the summer that they had to leave work because they could not stand the heat. If the honourable member had looked through the library—

Mr. Millhouse: I have.

The Hon. R. R. LOVEDAY: —he would be much better equipped to talk about it than apparently he is.

The SPEAKER: Once again I draw members' attention to Standing Order No. 125. Honourable members will observe that it is becoming necessary for me to implement this Standing Order, although I do not want to do so. When questions containing provocative statements are asked, they not only contravene Standing Orders: they in turn invite replies in a similar strain. The Standing Order provides:

In putting any such question, no argument or opinion shall be offered, nor shall any fact be stated, except by leave of the House and so far only as may be necessary to explain such question.

I ask for the co-operation of honourable members to see that we do not get a question and a reply that breach that Standing Order, because I have always held that we have built up, by custom that has served Parliament over the years, rights that we should jealously safeguard. That can be done only if members co-operate with the Chair and keep as near as possible to the Standing Orders.

Mr. MILLHOUSE: If I understood him correctly, the Minister said that the previous Government had allowed the staffing of the library to run down. I quote two sentences from the report of the State Library that was tabled yesterday, as follows:

The loss of 11 professional officers with between five and 20 years' experience, compared with five in the previous 12 months, has been a heavy blow to the library. Recruitment of graduate staff has declined.

I notice later in the report that the staff losses totalled 80 in 1966-67 (as against 55—a figure in brackets which, I take it, was for the previous year), of which 66 were resignations (as against 59). In the 1964 report of the Libraries Board I notice that the decline in the number of staff was only 51, of which 49 were resignations, a significantly lower figure. In view of the apparent conflict between the Minister's reply on this topic and the reports to which I have referred, I ask the Minister whether he will have urgent discussions with the Chairman of the Libraries Board and the State Librarian in order to ascertain whether the Government can do anything to improve the staff situation in the State Library service.

The Hon. R. R. LOVEDAY: Of course, there is really no conflict at all, because the honourable member knows perfectly well that he is not comparing like with like. As years pass, the library needs more people for its service in order to meet the increased service demanded by the public. The honourable member also knows that the State Librarian has recently said that the increase in the number of people borrowing books has been phenomenal. In other words, a sudden upsurge of interest has occurred that is largely the result of the new building that has been erected. In fact, I have already discussed this matter at some length with the State Librarian. We increased that officer's salary recently to help him in his position, because his salary, as I mentioned previously, was considerably below what he could obtain in other States.

BRIGHTON ROAD

Mr. HUDSON: Resurfacing of Brighton Road between Dunrobin Road and the Hove railway crossing is at present being carried out, and I understand that soon a further extension of this work is to be undertaken as far south as Stopford Road. As the work has been continuing for some weeks and local residents are interested in its completion, will the Minister of Lands ascertain from the Minister of Roads when both sections of the work are likely to be completed?

The Hon. J. D. CORCORAN: Yes.

WATER SUPPLIES

The Hon. B. H. TEUSNER: Last week, when replying to a question, the Minister of Works told me that water restrictions would be imposed in certain areas, including the Barossa Valley. From his statement it was not clear when restrictions would operate, and no date was referred to in the regulations he tabled yesterday, but on Friday last it was reported in the *Advertiser* that restrictions would operate from October 10. Following that announcement, on Friday a meeting was held of the executive of the Nuriootpa branch of the Market Gardeners and Fruitgrowers Association, and I have been told that the meeting was disappointed because these restrictions had become necessary. The association considered that there was some discrimination, because a part of the area (but not all the area) that had the benefit of water from the Warren reservoir was being restricted. As the Minister knows, there is a link between the Warren reservoir and the South Para and Barossa reservoirs, the Warren reservoir being higher than the other two. Consequently, water can be diverted from the Warren reservoir and discharged into the South Para and Barossa reservoirs. I quote from a copy of a letter dated September 24 which I understand was

sent to the Minister, and which I received today, as follows:

As the living of wage-earners in the market gardens of the Barossa Valley could be jeopardized and owing to the small margin of profit received from their produce, the smaller primary producers could be forced off the land. The committee expressed great concern at the apparently unfair restrictions in one part of the Warren reticulation system.

Further, when restrictions were last imposed (I believe in the late 1950's) a monthly quota was fixed for market gardeners and other restricted users, but certain anomalies were created and an appeal was allowed against these quotas. Can the Minister of Works say, first, whether if it is intended to enforce these restrictions from October 10, he would consider allowing an appeal against the quotas that may be fixed, in order to prevent anomalies? It has always been policy to allow sufficient water to be made available for stock, and this aspect should be seriously considered. Secondly, will the Minister allow, as has occurred previously in the 1950's, an accumulation for two months of quota water that has not been used? Rainfalls over a week or two may result in the conservation of quantities of water, but such a wet period may be followed by a heatwave that will necessitate a greater use of that water.

The Hon. C. D. HUTCHENS: These restrictions will come into force, I think on October 10. As I have previously indicated, the department appreciates the co-operation received from the people in the area with whom the honourable member is concerned. Wishing also to co-operate, one or more officers of the department are to meet the committee concerned in an endeavour to solve the problems that exist, so that adequate water will be available and so that the properties concerned may function as economically as possible. I shall keep the honourable member posted in this matter. We are concerned about the position; we appreciate the attitude of the people involved; and we will do everything possible to ensure that they are assisted.

The Hon. Sir THOMAS PLAYFORD: Can the Minister of Works now say what quantity of water that would not be available for use because of circumstances beyond the control of his department is at present held in metropolitan reservoirs?

The Hon. C. D. HUTCHENS: The Director and Engineer-in-Chief states that planning this year aims to draw storage down to a minimum of 4,300,000,000 gallons. This is not an absolute operating minimum, but is very close to it. If demand could be completely balanced between the several reservoir systems, the storages could be operated down to a gross storage near to 3,000,000,000 gallons.

NORTHERN TEACHERS COLLEGE

Mr. CLARK: I am delighted, as also are my constituents, that the Northern Teachers College is to be built in grounds next to the Salisbury East High School. However, civic leaders and I are not so delighted at the name chosen for the college; it seems to us that "northern" normally relates to a place much farther north than Salisbury. As Salisbury is an old country town (now a city, of course), most of us would like to see "Salisbury" appearing in the name of the new college. Will the Minister of Education ascertain whether this wish might be granted?

The Hon. R. R. LOVEDAY: I shall be pleased to consider the honourable member's suggestion which, if it seems desirable and practicable, we shall try to implement.

ULOOLOO CROSSING

Mr. QUIRKE: About six miles south of Ulooloo (a railway distance of 126 miles 29 chains) there is a crossing that has been rendered redundant because of the realignment of the road. This crossing is equipped with lights which, of course, are no longer useful under existing conditions. Although the Railways Department wishes to close the crossing, the Hallett District Council wishes it to remain open for the convenience of local residents. Will the Minister representing the Minister of Transport ascertain whether the department will accede to the council's request, namely, to keep this crossing open, whether or not it is necessary to remove the expensive lights?

The Hon. FRANK WALSH : I will take up that matter with my colleague and bring down a report as soon as possible.

POULTRY

The Hon. D. N. BROOKMAN: Has the Minister of Agriculture a reply to my recent question about assistance to the South Australian Poultry Marketing Co-operative?

The Hon. G. A. BYWATERS: Following several discussions over last weekend and in the last two days, it has been arranged that this afternoon members of the co-operative's board will meet Treasury officials to discuss the matter further. At this stage, I can only say that the matter is receiving urgent attention.

MIGRANTS

Mrs. BYRNE: The Minister of Immigration and Tourism will be aware that I have asked some questions in this House about charter flights to operate between Australia and the United Kingdom, chiefly to combat home sickness amongst English migrants. I draw the Minister's attention to the following article that appears on the front page of today's *Advertiser*:

Australians will be able to fly overseas and back at drastically reduced fares under charter arrangements announced today. The Minister for Civil Aviation (Mr. Swartz) said in the House of Representatives that the new rates would be 60 per cent of the normal economy class fare and parents of migrants would get a special concessional fare of 50 per cent. This meant that the return fare between Sydney and London via the "Kangaroo route", for instance, would be about $700 compared with the present economy fare of $1,178.

English parents visiting their children in Australia would be able to make the round trip for $589 each. The plan would also aid migrants to have holidays in their homeland and friends and relatives of migrants to visit them in Australia. Mr. Swartz said he expected the plan to operate on November 1 and full details would be issued later this week.

When I last asked the Minister a question about this matter, he said that the Commonwealth Minister intended to inform him later about the results of the Minister's representations to him. Has the Minister been officially notified of this scheme?

The Hon. J. D. CORCORAN: I am pleased to learn of the announcement. Although I have not as yet been officially notified of the scheme, I look forward to receiving details. When they are to hand, I shall be pleased to pass them on to the honourable member. I point out that, in addition to my raising the matter with the Commonwealth Minister for Immigration (Mr. Snedden), the former Premier (Mr. Frank Walsh) and the present Premier wrote to the Commonwealth Minister for Civil Aviation (Mr. Swartz); no doubt he will contact the Premier as well as me. I am sure the news of the scheme will be welcome to the many people who have made representations to the honourable member, the Premier and me.

STATE'S FINANCES

Mr. McANANEY: Has the Treasurer a reply to my question about interest payments and sinking fund repayments in respect of certain types of loan?

The Hon. D. A. DUNSTAN: The question relates to the obligations for interest and sinking fund on the Loan moneys used in 1966-67 to finance the non-government hospital building grants of $2,624,000 and the obligations which would have arisen if a comparable revenue deficit were funded. The average interest rate on new borrowings in 1966-67 was very closely 5 per cent and this would have applied equally to the two cases, involving about $131,000 per annum in interest. However, the differences arise through sinking fund. The actual expenditures of $2,624,000 on Loan Account will involve the Commonwealth and the State in sinking fund, each at the rate of ¼ per cent per annum, or about $6,500 per annum each. Had the amount been used to cover a revenue deficit, the State obligation for sinking fund would be 4 per cent per annum, or about $105,000, in addition to interest and the Commonwealth would pay no sinking fund.

In each case, as the sinking fund contributions are used currently to repay the loan, the State is relieved of interest on the loan repaid, but is called upon to balance out this relief by comparable contributions to further repayments. This procedure produces the normal compounding of the sinking fund. Thereby an ordinary loan would be repaid over 53 years with the compounding of the ½ per cent per annum of combined contributions, whilst the deficit loan would be repaid in 17 years with the compounding of the 4 per cent per annum contributions. Whilst the deficit loan will be paid off much earlier, the matter of overriding importance in the governmental obligations is that in the immediate future years there will be an obligation on the State Government for interest and sinking fund of closely 5¼ per cent, or about $137,500, on the expenditure upon grants for non-government hospitals, whilst the Commonwealth will ment ¼ per cent per annum, or $6,500. If used to finance a deficit the State obligation in the immediate future years would be 9 per cent, or about $236,000, with no Commonwealth assistance.

KADINA HIGH SCHOOL

Mr. HUGHES: In 1966 the Kadina High School Council, the headmaster, members of the staff and students were pleased to have the Minister of Education and Mrs. Loveday at their annual sports day and honoured to have the Minister open the function. It was also pleasing to have Mrs. Loveday crown the queen in the evening. A queen competition had been conducted to raise money for the building of a new change-room and showers at the school. Plans and specifications have

since been prepared and prices have been submitted to the appropriate authorities. It is well known that only a limited number of these change and shower-rooms can be built in any year, and the council desires to know whether the work at the Kadina Memorial High School is included in the building programme for this financial year. As I do not expect the Minister to be able to give that information this afternoon, will he obtain a report soon?

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

IMITATION CIGARETTES

Mr. LANGLEY: The President of the National Safety Council (Mr. C. Daddow) was reported in last Sunday's *Mail* to have said that imitation cigarettes on sale in Adelaide were very inflammable and gave off an unpleasant odour when lit. As these cigarettes could cause fires and other dangers, has the Minister of Agriculture any information about sales of these cigarettes to children in Adelaide at present?

The Hon. G. A. BYWATERS: I saw the report to which the honourable member has referred and I took up the matter with the Director of Chemistry. He has no knowledge of these cigarettes being sold, but that is not unusual, because they may not necessarily come within the definition of fireworks, of which he would have knowledge. However, he has promised to inquire. Further, I consider that this may also be a matter for the Public Health Department because the report stated that these cigarettes were a menace to health. I strongly advise parents to heed the warning and to ensure that their children do not buy these cigarettes, because they may injure their health and create fire hazards.

SCHOOL TRANSPORT

Mrs. STEELE: When I was speaking on the Education Department lines during the recent Estimates debate, I drew the attention of the Minister of Education to difficulties that are sometimes experienced in securing immediate transport for children attending schools for physically handicapped children in the metropolitan area. Has the Minister a reply on that matter?

The Hon. R. R. LOVEDAY: Since its inception in 1960, the Committee for the Transport of Handicapped Children, which is a part-time committee, has not been in the practice of holding meetings to deal with individual applications, and at present meets on an average at two-weekly intervals. Regarding the admission of children to the Oral School and other speech and hearing centres, arrangements have been made for applications for transport to be first considered by the committee although enrolments may not have been approved by the Advisory Panel for Deaf and Hard-of-Hearing Children. The previous procedure was to consider applications only after enrolments had been approved by the panel. The new arrangements should eliminate any delay caused by the previous practice. The decisions regarding transport are, of course, still subject to the approval of enrolments by the panel. Nothing is known by the committee of the individual case cited. If the honourable member can supply details, this matter will be investigated.

BLAIR ATHOL SCHOOL

Mr. COUMBE: Some time ago I took up with the Minister of Education and his department the matter of effecting certain improvements at the Blair Athol Primary School. I make this request again and point out to the Minister that at that school there is an excellent block of solid classrooms, but also a number of timber classrooms. One suite of timber rooms is adjacent to Regency Road and recently the Highways Department widened that road by about 7ft., resulting in the classrooms being almost on the footpath. Because of the heavy traffic on this road and the resulting noise and disturbance to students in the classrooms, will the Minister of Education ascertain whether solid construction classrooms can be built in another area of the school, or whether the classrooms could be removed and resited elsewhere in these grounds?

The Hon. R. R. LOVEDAY: I shall see whether anything can be done to assist in this matter.

FROST

Mr. RODDA: This morning, when speaking to people living at Coonawarra, I was told that in that area on Tuesday night the ground level temperature was 28 degrees and at vine level it was 24 degrees. Last evening it was 24 degrees at ground level and 27.8 degrees in the vines. I have been told that the loss caused by this heavy frost was worse than was first thought, particularly with regard to the budding of the vines, as there was an 80 per cent loss in the areas where the sprinklers were used and 100 per cent loss where sprinklers were not used. The peaches, almonds and apricots are virtually a write-off. This was one of the worst frosts that has occurred in this area, and equal to

the frost that occurred in 1960. No doubt the Minister of Agriculture has considered this incident, which highlights the need for an extension of the Electricity Trust supply to Coonawarra, because where sprinklers were used some saving of crops was made. It is early in the season, and if rain falls the budding may continue and assist the 1968 crop, as this will have been affected by the frost. Although people living at Coonawarra are reasonably well placed, legislation recently passed through Parliament allows compensation to be paid for frost damage. Will the Minister consider the matters I have placed before him and obtain a report on the effect of this frost at Coonawarra?

The Hon. G. A. BYWATERS: I, too, was extremely sorry to read of the severe damage that had occurred in the Coonawarra district. The department encourages the promotion of horticulture in this area because it considers that it may be a future vegetable-growing area, and some successful experiments have been undertaken. I agree that there is a need to use sprinklers to overcome the onset of frost and, although their use was not spectacularly successful, at least they reduced the loss from what was undoubtedly a heavy frost. In a normal frost the use of sprinklers may have saved only some of the crop. I shall consult the Minister of Works to see whether the electricity supply can be extended to this area. I know that my department has considered the recent incident but, as yet, I have not received a report. As it happened only two days ago, I will obtain one as soon as possible, and will inform the honourable member of any other details that I can obtain.

DERNANCOURT SEWERAGE

Mrs. BYRNE: Has the Minister of Works a reply to my question of September 21 about sewering the Dernancourt area?

The Hon. C. D. HUTCHENS: The Director and Engineer-in-Chief has recently completed satisfactory negotiations with the subdivider for the provision of sewerage, subject to a capital contribution, to the land to the east of this area. Certain sewers to be constructed under agreement with the subdivider will benefit the petitioners and, as a result, a detailed examination of the sewers required to serve the existing subdivision is now being undertaken, and further information will be provided when these investigations are completed.

LOTTERIES AGENCIES

The Hon. D. N. BROOKMAN: Has the Premier a reply to my recent question about the possibility of establishing a lotteries agency at Beach Road, Christies Beach?

The Hon. D. A. DUNSTAN: In the Noarlunga District Council area, with a population of about 15,000, the commission has appointed four ticket-selling agents. In comparison with Elizabeth, six agents for over 40,000 population; Port Pirie, two agents for 17,000 population; and Whyalla, three agents for 24,000 population, the Noarlunga District Council area is well served with lottery agents. In the Port Noarlunga and Christies Beach areas the commission appointed agents at Port Noarlunga and Christies Beach North. The appointment of an agent at Christies Beach proper in lieu of Christies Beach North would have resulted in two country agents being about one mile apart, which would not have been warranted, especially as both localities border on the coastline.

In view of the industrial and housing development taking place north of Christies Beach proper, the commission selected an applicant at Christies Beach North in order to be in a position to meet the future needs of a growing population. These were the main factors which were considered in deciding on the location of the agency. The sales at this agency have so far fully justified the decision of the commission. The density of population in the Christies Beach area does not warrant an additional agent at this juncture. It will be appreciated that it would be impossible for the commission to appoint agents at all shopping centres, and it is natural for a few complaints to be received from areas missing out.

COUNTRY ELECTRICITY

The Hon. Sir THOMAS PLAYFORD: Has the Treasurer a reply to the question I asked during the debate on the Estimates about the sum paid to subsidize a reduction in the price of electricity in country areas?

The Hon. D. A. DUNSTAN: There are two Acts which have a bearing on the supply of electricity to country areas and the cost of electricity to the country consumer. The line to which reference was made relates to the Electricity Supplies (Country Areas) Act, 1950, which authorizes the Treasurer to make a grant to a council of up to half the capital cost of approved electricity extensions. The other Act is the Electricity (Country Areas)

Subsidy Act, 1962-1965, under which subsidies are currently being paid to country electricity undertakings to enable tariffs to be reduced to within 10 per cent of the Electricity Trust's metropolitan all-purpose tariff. Provision is made in the Estimates for the payment of $300,000 for such subsidies this financial year. This provision appears in the Estimates under "IV. Premier, Treasurer and Minister of Housing—Miscellaneous".

At the present time councils are not experiencing any substantial difficulties in borrowing the capital funds required for necessary and desirable electricity extensions and improvements, and in these circumstances the Government considers the application of Government financial support is best directed towards subsidizing the electricity accounts of country consumers. If the supply of funds for such necessary extensions should become difficult, the Government will be prepared to use its authority under the Electricity Supplies (Country Areas) Act, 1950, and will assist in the provision of the capital funds required.

ZEBRA CROSSINGS

Mr. LANGLEY: Has the Minister representing the Minister of Roads a reply to my recent question about the date by which the zebra crossings on Unley Road will be completed?

The Hon. J. D. CORCORAN: The Minister of Roads reports that two pedestrian crossings are proposed for Unley Road, one adjacent to Maud Street, Unley, and the other at Princes Road, Lower Mitcham. It is expected that these crossings will be brought into operation within one week.

HACKHAM SEWERAGE

The Hon. D. N. BROOKMAN: Has the Minister of Works a reply to the question I asked during the debate on the Loan Estimates about the Hackham Sewage Treatment Works?

The Hon. C. D. HUTCHENS: The Hackham treatment works is a temporary sewage treatment works to serve the new Graham James and Company subdivision of 724 allotments at Hackham. Complete water and sewer services are being provided under agreement with the department. The temporary treatment works, which is located on section 8, hundred of Noarlunga, will serve the subdivision only until trunk sewers from the permanent Christies Beach Sewage Treatment Works are extended into the area. It is expected that the temporary treatment will continue for a period between five and 10 years at which stage the subdivision will be connected to the trunk sewer and the temporary works abandoned. The works will consist of an oxidation ditch, settling tank, sludge scrapes and chlorination facilities. It will produce a fully treated and safe effluent for discharge to the adjacent creek.

EMERGENCY HOUSEKEEPER SERVICE

Mr. MILLHOUSE: During the debate last Wednesday evening on the Estimates for the Social Welfare Department, I referred to the emergency housekeeper service and quoted a letter from the Minister's predecessor, the present Premier, to the effect that the fee charged for this service was, I think, $38.50 a week. When the Minister replied he did not comment on that, but I have since been reliably informed that the Government has further increased this charge to $40.20 a week to be paid by families in necessitous circumstances. The increase was made, I think, in July, since the Minister took this office. The Minister did point to the continuing decline in the use of this service (100, I think, in one year and 76 in the succeeding year). Can the Minister of Social Welfare say whether, in fact, the Government has increased this charge, as has been reported to me? If it has, will he say why the charge has been increased further? Finally, I ask whether the Minister will have discussions with his Director in an effort to see what can be done to preserve this service, or whether he desires that it should, in fact, be discontinued.

The Hon. FRANK WALSH: I indicated yesterday that, when I had replies to the questions asked during the Estimates debate, I would inform members accordingly. Probably the honourable member did not hear what I said, but now that I have repeated my statement he may understand it. The honourable member referred to an increased cost for the service. That matter has not been brought to my attention or to the attention of the Government. However, irrespective of whether that information is correct, I shall certainly inquire to ascertain the true position. If the honourable member is a little patient, I will bring down a full report from the Director concerning the matters associated with the emergency housekeeper service.

HOUSING FINANCE

Mr. HUDSON: Has the Premier obtained the appropriate figures I recently requested concerning the South Aunstralian deposits on house mortgage lending for each of the private savings banks and the Commonwealth Savings Bank operating in South Australia?

The Hon. D. A. DUNSTAN: I am informed that figures are not published by either the Commonwealth Savings Bank or by the private saving banks, segregating their lending for housing State by State. As at June 30 last the Commonwealth Savings Bank held throughout Australia 24 per cent of its assets as housing loans whilst the private savings banks held a similar proportion. I am assured, however, that the Commonwealth Savings Bank's lending for housing in South Australia bears a significantly higher proportion to its South Australian deposits than the proportion for its overall Australian lending. In recent years in particular the Commonwealth Savings Bank has been most helpful in its allocations of funds in this State both directly for housing loans to individuals and in making loans to the South Australian Housing Trust. So far as the private savings banks are concerned, a survey some 18 months ago indicated that their lending in South Australia in relation to deposits derived in this State was rather higher than their overall Australian proportion, and representatives of those banks believe that the favourable comparison has since been maintained.

It is fair to add that the private savings banks, like the Commonwealth Savings Bank (though perhaps in rather less degree), have been most helpful in their lending to our semi-governmental authorities, particularly the Electricity Trust and the Housing Trust. Moreover, both the Commonwealth and the private savings banks have been most helpful in undertaking considerable special contributions for the financing of the natural gas pipeline. In all these matters of lending for housing, to the semi-governmental authorities, and for the natural gas pipeline, the Savings Bank of South Australia has naturally taken a leading part. The Government will continue to press and encourage all the lending institutions to maintain high priority in provision for loans to individuals for housing.

RADIATA TOUR

Mr. RODDA: In the weekend press reference was made to the radiata tour, and the matter was also referred to me by the Naracoorte Chamber of Commerce. People taking this tour travel by rail to Mount Gambier and then spend three or four days seeing the highlights of the South-East forestry areas. Also included in the tour are trips to Robe, Millicent and Beachport, which are in the Minister's district. People have a choice of returning to Adelaide by bus or of going back to Mount Gambier and taking the train to Adelaide. Of course, Naracoorte offers many tourist attractions such as the caves, the Comaum forest, Bool Lagoon area, and Struan. The proposition has been put to me that the radiata tour could be extended to enable tourists to take the train to Naracoorte, where they could meet the bus and continue with the tour as it is now conducted. However, this would emphasize the need for an improved type of sleeping car on the Blue Lake express. Will the Minister of Immigration and Tourism examine this proposition and consult with the Director of the Tourist Bureau to see whether something along these lines would give added impetus to tourism in the South-East?

The Hon. J. D. CORCORAN: I am happy to hear the honourable member listing some of the highlights of his district and, indeed, of the South-East. However, the proposition to which he has referred is not directly associated with the Tourist Bureau, because the radiata tour (as it is known) has been promoted by private enterprise. The Tourist Bureau is nevertheless anxious to assist in any way possible. We hope that the tour that has recently been promoted will be successful so that people from other States and from overseas, and even South Australians, will be able to enjoy the beauty and other attractions of the South-East. For that reason, I shall be happy to take up with the promoters of the tour the suggestions made by the honourable member to see whether something cannot be done to include in the tour the areas to which he has referred.

DANGEROUS DRUG

Mr. MILLHOUSE: Last week the Leader of the Opposition and other Opposition members raised again the matter of lysergic acid diethylamide (L.S.D.) and the prohibition of its use, distribution and circulation in South Australia. In the course of his reply, the Premier said that the matter could be dealt with before the end of the session provided members on this side did not take up the remaining time. Today the honourable gentleman has given notice of two motions which normally portend the end of the session but, so far as I am aware, he has not yet given notice of any Bill to deal with the use, etc., of L.S.D. in this State. I remind him that only this morning there appear in the paper reports of the use of purple hearts in this State. There is also the expression of opinion of Dr. Yap of Hong Kong that the use of purple hearts and

L.S.D. can lead to toxic mental illness. Can the Premier say whether the Government still intends to take legislative action on this matter during the present session?

The Hon. D. A. DUNSTAN: As the honourable member has not introduced any new factors into the situation, the reply of the Government is exactly as it was before. I suggest that the honourable member stop wasting the time of the House.

TRAINEE NURSES

Mr. McANANEY: Has the Premier, representing the Minister of Health, a reply to my recent question about trainee nurses?

The Hon. D. A. DUNSTAN: The honourable member has raised a question relating particularly to third-year trainee nurses who consider that they have been unfairly treated by the provisions of the recent Government General Hospitals (Nursing Staff) Award which applies retrospectively as from May 29, 1967. In respect of third-year trainee nurses the award granted an increase in salary (40 hours a week basis) from $1,294 a year to $1,543 a year, that is, an increase of $249 a year. When judgment was given in connection with this award, it was indicated that $208 a year of the above increase was specifically to offset "economic" assessment of board and lodging charges. It should be noted that this $208 a year has become an integral part of the salary and therefore actually becomes more than $208 a year whenever overtime payments are involved. The charge for board and lodging was increased by the award from $7 to $11.50 a week, that is, an increase of $4.50 a week, and there could, therefore, be cases of third-year trainee nurses working a 40-hour week only who, with the additional income tax involved on the higher salary, could be slightly worse off following the new award than previously. However, this department has no alternative but to observe the provisions of the award, and obviously the question of income tax is a Commonwealth matter. It could perhaps also be pointed out that all nursing staff previously charged for full board and lodging at $7 a week only could be regarded as rather fortunate as that charge was obviously below cost to the department and also much less than the sum for which they could have obtained reasonable board and lodging privately.

It should be pointed out however that any third-year trainee nurses (and for that matter any other senior members of the nursing staff) living out are far better off than previously, because they now receive in the new salaries the $208 a year to which I have already referred plus any futher increase granted by the award, and are only required to pay for any meals actually taken at the hospital at the rate of 35c a meal. Previously, such living-out staff were simply granted a living-out allowance of $2 a week plus one free meal for each day on duty and naturally did not have any deduction from their salary for board and lodging which, at that stage, was the subsidized $7 a week. An arbitration authority has granted an award increasing salaries and reassessing board and lodging payments and the Government cannot do other than obey the award.

MURRAY RIVER SALINITY

The Hon. Sir THOMAS PLAYFORD: Has the Minister of Works a reply to my recent question regarding the quality of the water in the upper reaches of the Murray River?

The Hon. C. D. HUTCHENS: I discussed this matter with the Director and Engineer-in-Chief this morning, and it is intended to commence, shortly, publishing the salinity content of water in various places along the river. I think this will be satisfactory to the honourable member.

ILLEGAL BETTING

Mr. MILLHOUSE: This morning I received a copy of the first annual report of the South Australian Totalizator Agency Board, in which the following paragraph appears over the signature of the Chairman (Mr. Irwin):

> The statement of the Premier when opening the board's head office premises in March, that penalties for illegal off-course betting would be increased, is welcomed. The board can provide a legal off-course betting service, but this service will not eliminate illegal activity without the full co-operation of the Government, the Police Department and the public.

As this was one of the strongest arguments swaying me when T.A.B. was introduced (that illegal starting price bookmaking would be reduced substantially), does the Premier intend to honour the promise made by his predecessor in March? Also, is it his intention, and the intention of his Government, to introduce legislation on this topic and, if it is, will legislation be introduced this session?

The Hon. D. A. DUNSTAN: It will not be this session.

PERSONAL EXPLANATION: BUILDERS LICENSING BILL

Mr. HALL (Leader of the Opposition): I ask leave to make a personal explanation.

Leave granted.

Mr. HALL: Much public interest has centred on the measure before the House concerning the building industry. A statement has been made claiming that I have tried to influence representatives of the Housing Industry Association to oppose this legislation, and that I have called them to my room for this purpose. The facts are twofold: Authorized representatives of the Housing Industry Association visited me at their request, soon after I became Leader of the Opposition, to discuss the building industry generally. Some weeks ago, at their invitation, I attended a social function at Glenelg. I did not discuss the contents of the Bill with any members of that association before it was introduced into this House because I had never seen it, and I have never lobbied any of its members on this subject at any time. The only recent contact I have had was with representatives of the Master Builders Association, at their request, when they put their views to me. There was no lobbying on my part at this meeting. I understand that the decisions of the Housing Industry Association to oppose the Government measure was spontaneous: I had nothing to do with the formation of its attitude.

STAMP DUTIES ACT AMENDMENT BILL

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Stamp Duties Act, 1923-1967. Read a first time.

The Hon. D. A. DUNSTAN: I move:

That this Bill be now read a second time.

It makes a number of unrelated amendments to the Stamp Duties Act. The first amendment I shall deal with relates to the records that must be made and the return that must be furnished by share brokers of all sales and purchases of marketable securities. The return is the document that constitutes the instrument upon which stamp duty is levied. In the amendments to the Stamp Duties Act which were made by the Marketable Securities Transfer Act, 1967, duty is imposed on a return which sets out particulars relating to all sales and purchases made by a broker in a weekly period and which are shown in the record which he is obliged by the Act to maintain. Subsequent to the passing of the Marketable Securities Transfer Act, representations were made by the Stock Exchange of Adelaide that the submission of a return containing all this detail would involve a considerable amount of clerical effort in brokers' offices and a corresponding amount of clerical work in the Stamp Duties Office. It was suggested that as the Commissioner of Stamps has the right to inspect the records which must be kept by brokers the purposes of the Act would be equally well served if the return could be lodged in the form of a certificate by the broker that the stamp duty tendered was in accordance with the records, leaving the Commissioner to make such checks of returns against original records from time to time as he deems appropriate. Similar action has been taken in the other States in these uniform marketable securities transfer and associated stamp duty arrangements and I gave an undertaking to the Stock Exchange that I would place amending legislation before Parliament as soon as possible to provide for the much simpler form of return.

Clauses 3, 4, 5 and 6 (*a*), (*b*), (*e*) and (*f*) of the Bill deal with this aspect. Clause 6 (*c*) of the Bill inserts a new paragraph (*ab*) under the heading "Conveyance or Transfer" in the Second Schedule. It has been suggested to the Government that there could be a substantial amount of investible funds which could be channelled into house mortgage finance were it not for several inhibiting factors. One of these factors is the expense of setting up an organization for house mortgage lending without a continuing flow of funds and unless the lender can operate an extensive and continuing business. This difficulty could be met if lenders were prepared to lend money to an organization already in the business of house mortgage lending but, as the Act stands at present, the transfer or mortgage of mortgages by the existing house mortgage lender in order that the private lender may have full security is not generally acceptable because such a transfer is stampable at normal conveyance rates and such a mortgage is stampable at normal mortgage rates.

The proposal now made in this Bill is that such transfers of mortgages in respect of properties upon which a dwelling house is or is to be erected are to be stamped at a flat rate of $3. This is the same rate as is adopted in Victoria in respect of such transfers. The other States continue to stamp these transfers at mortgage or at conveyance rates, except

Western Australia which imposes a concessional rate of 10c per $200. Similarly, and with the same object, under the new paragraph (*c*) of the item entitled "Mortgage, Bond, Debenture" etc. as re-enacted by clause 6 (*d*) a mortgage of a mortgage of land on which a dwelling house is or is to be erected is to be stampable at a flat rate of $3. The other provisions of the item entitled "Mortgage, Bond, Debenture" etc. as re-enacted by clause 6 (*d*) are made to protect the revenue in respect of mortgage stamp duty. Duty is at present imposed by the Second Schedule of the Act on a mortgage "being the only or principal or primary security for the payment or repayment of money", and an exemption is given in respect of "every collateral or auxiliary or additional or substituted security, or security by way of further assurance for the abovementioned purpose where the principle or primary security is duly stamped". The South Australian Act follows the English Act closely in this matter.

A decision of the House of Lords has recently come to the attention of the Government wherein it was ruled that, where an agreement is made which involves the giving of security by mortgage to secure payment of moneys due under the agreement, the agreement itself is the principle security and the mortgage is therefore not "the only or principal or primary security for the payment or repayment of money". Accordingly, in such case, the mortgage is exempt from mortgage duty as it is a "collateral or auxiliary or additional" security as set out in the exemption. This decision makes it possible, by suitable documentation, that such transactions could escape with merely flat rate duty on an agreement at 10c instead of *ad valorem* duty on the amount of money secured by mortgage at 50c per $200. The British Parliament has acted to amend its stamp duty legislation in an attempt to ensure that the intentions of its legislation are not avoided and the new item as re-enacted by clause 6 (*d*) of the Bill now under consideration is similarly designed to ensure that the *ad valorem* duty is payable on the mortgage document.

Mr. HALL secured the adjournment of the debate.

OIL REFINERY (HUNDRED OF NOARLUNGA) INDENTURE ACT AMENDMENT BILL

Read a third time and passed.

TRAVELLING STOCK RESERVE: LACEPEDE

(Debate on the motion of the Hon. J. D. Corcoran adjourned on August 31. Page 1773.)

(For wording of motion, see page 1772.)

Motion carried.

LONG SERVICE LEAVE BILL

Adjourned debate on second reading.

(Continued from October 3. Page 2371.)

Mr. HALL (Leader of the Opposition): This Bill has many purposes, and I consider that the first is to provide one more difference of opinion between the Government and the Legislative Council. The Government knows that this Bill is not acceptable to the South Australian community, having regard to what has been done in other States about long service leave. South Australia today is on the tail end of Australian development and is suffering greatly statistically and physically in comparison with other States in regard to employment and economic progress. In my opinion, the Government has deliberately set out, on the eve of an election, to throw up to the Legislative Council something that it hopes the Legislative Council will reject so that, if the Bill is rejected, the Government will be able to use the rejection as an emotional issue at the forthcoming election.

I do not say this lightly or without due regard for the facts. This Government has set up the Industrial Commission, which has incorporated in State awards long service leave provisions that are regarded generally as being standard throughout Australia. Why, then, is this Government legislating contrary to the decisions of the commission, and going beyond the Australian standard of 13 weeks' leave after 15 years' service and pro rata leave after 10 years' service? The history of long service leave in Australia is that this leave was first provided for the Public Services in the various States. Later, it was granted to employees of semi-governmental authorities. Then, originally, through Statute law, it was gradually extended to employees generally in some of the States.

In 1950, the Commonwealth Arbitration Court, when considering the Flour Milling Award, entered the field of long service leave and incorporated provisions regarding that leave in the award I have mentioned. In 1951 the New South Wales Government legislated to provide for long service leave in that State. Queensland legislated in 1955, Tasmania in 1956, and South Australia in 1957. In Western

Australia long service leave was initiated by the industrial authority in that State, not by legislation.

The Hon. B. H. Teusner: That is more satisfactory.

Mr. HALL: In some instances long service leave in Australia originated in Statute law and in other instances it originated in decisions by industrial authorities. The differing methods created a hotch-potch and a lack of uniformity, and I think it was in 1964 that the Commonwealth Arbitration Commission inserted in awards under its jurisdiction common provisions regarding long service leave based on the granting of leave after 15 years' service and pro rata leave after 10 years' service. The commission rejected the five-year pro rata leave provision in the New South Wales Act, on the very definition of long service leave. The purpose for which such leave is granted was clearly shown in this part of a decision of the commission in 1964 by Their Honours Wright J., Moore J. and Sweeney J.:

The principal purpose of long service leave is to enable a worker to enjoy during his working life the reward of leave for long service to enable him to return to his work refreshed and reinvigorated.

The Commonwealth Arbitration Commission rejected pro rata leave after five years as not being long service leave in the sense in which that leave was provided. The provisions in the South Australian Act of 1957 were different from the provisions in other States, and this position was not acceptable to many unionists and employers. Consequently, agreements were entered into by which long service leave in this State followed the established Australian pattern. The Industrial Commission set up by this Government, after postponing its decision for six months last year while the Bill was before the House, decided to award provisions that had been included in the Bill introduced in the Legislative Council. The commission recommended that South Australia could afford and should provide conditions that equated with those in the rest of Australia, but the Government decided that it could afford more. Although we do not have money for important public works in this State, and the Premier has continually stressed that he is leading a Government that is trying to maintain a lower cost structure in this State than is maintained in other States, in order to establish full employment here, he immediately introduces legislation that will react against the State's future economy.

Oversea industrialists must consider the cost structure in each State, and our higher structure will be detrimental to this State. I admit that this is only one factor, but it is a formidable one. In the midst of the South Australian recession, the Government has not explained how we can afford this legislation. Cost to industry, jobs for employees, and living standards are matters upon which the Government should give detailed information. Opposition members supported similar legislation introduced in the Legislative Council last year, as it provided for conditions that generally applied throughout Australia. However, the Government amended that Bill to ensure that it would not pass both Houses. The Government has introduced the present Bill to initiate a conflict with the Legislative Council.

Mr. Millhouse: It is deliberate provocation.

Mr. HALL: Of course it is deliberate: the Government's object is to maintain several conflicting points that can be discussed at the next State election. Many people are asking why this State should have better conditions than those obtaining in other States.

Mr. Langley: There would not be many.

Mr. HALL: Many people are concerned about their employment in this State.

Mr. Langley: It is not as bad as you paint it.

Mr. HALL: It is bad enough.

The Hon. B. H. Teusner: Unemployed persons come into my district every week.

Mr. HALL: If the member for Unley had the choice between providing more jobs or providing better conditions for those in employment, what would he do? We know what he would do.

Mr. Langley: More jobs are available, conditions are better, and you know it.

Mr. HALL: If those conditions applied I would applaud the member for Unley and the Government, but South Australia is still the tail-end Charlie in Australia in all fields of employment. It has more bankruptcies than has any other State.

Mr. Langley: That was brought about by conditions in the building trade, and by your Government.

Mr. HALL: The bankruptcies were not all in the building trade: they were scattered throughout the community. With conditions as they are the member for Unley thinks we can afford to be more extravagant.

Mr. Langley: No, but we have improved conditions.

Mr. HALL: It is this attitude that is responsible for our general decline.

Mr. Langley: What about Holden's? That company has confidence in the State, hasn't it?

Mr. HALL: Other States have been progressing at a faster rate than has South Australia, but the member for Unley and his colleagues think that we can afford to spend more money. Can we afford to say to oversea industrialists that our general costs are to be increased, but not to tell them that there are more business failures in this State than in any other and that our rate of progress has declined? This is one of several Bills that the Government has introduced to create a deliberate clash with the Legislative Council: it will establish provisions that are far in advance of those prevailing in other States. Why have we gone further than New South Wales has gone? In that State long service leave is granted after 15 years with a pro rata rate for five years, but we are to grant long service leave after 10 years with pro rata leave after five years. How can we afford more than can be afforded in New South Wales? What are the factors that allow us to be more progressive in this matter than New South Wales, which had a Labor Government until several years ago?

This Bill needs to be amended: I will support its second reading, but will join in moves from this side to amend it to bring its provisions in line with those existing throughout Australia. I should be happy to tell any employee that our provisions should equal those provided in other States, but I do not support a move that is contrary to the decision of the Industrial Commission, which has already considered this matter at length. Without at this stage opposing the second reading, I await the Committee debate, during which I believe sensible amendments will be moved in order to bring the provisions of this Bill into line with those existing elsewhere in Australia.

Mr. HURST (Semaphore): I support the Bill. Long service leave is a reward granted to employees for a service rendered.

Mr. Hall: For long service!

Mr. HURST: The Leader should, bearing in mind what he has had to say, trace the inconsistency of his Party's approach to this matter. I was responsible 10 years ago for negotiating with employers to provide long service leave equal to the provisions contained in this measure. If members opposite cared to inspect some of the agreements registered with the Industrial Commission, they would realize how completely out of tune they were with public opinion. The Bill seeks to bring about some justice for all employees in the State; it establishes no precedents, because agreements equal to the Bill's provisions already exist. This measure merely seeks to bring long service leave provisions up to date. Members of the Opposition are undoubtedly making a political football out of this measure and, indeed, it is their actions in the past that have brought about the present anomalous situation.

Long service leave was initially granted for employees with 20 years of service. Agreements, as I have said, have applied for many years. Although 13 weeks' leave was initially granted after 20 years' service, with the progress of time and the development that has taken place, the validity of the claims made by employees in their respective industries has been recognized. Right from the beginning, workers have been kicked from pillar to post by employer organizations that have tried to deprive workers of some recognition for rendering a service to the community. The Opposition's claim that this matter is properly one for the commission to consider is simply an attempt to sidetrack the issue. In 1951 the New South Wales Government, recognizing the necessity for extending this privilege to employees who had previously not benefited, legislated for long service leave. The Victorian Government legislated similarly in 1953.

It was recognized that the granting of, say, a silver watch to employees after 20 years' service was not a sufficient reward to anyone who had served for so long. Although the Victorian Government's action was challenged by the employers, who claimed that that Government had no right to legislate for long service leave for workers covered under Commonwealth awards, the High Court clearly ruled that the Government's action was legitimate. That decision of the court subsequently challenged, the Privy Council ruled similarly, with the result that employees working in Victoria under Commonwealth awards were granted long service leave. The Queensland Government introduced long service leave legislation in 1955, Tasmania following suit in 1956. South Australia was the last State to implement long service leave provisions, extending similar privileges to employees in this State to those that had existed in other States for up to six years.

I believe that the 1957 Bill was an attempt to short-circuit an application being dealt with by the Full Commission for the granting of additional annual leave, the measure providing that after seven years' service employees would become entitled to a week's leave. We

should examine the principle behind this legislation. In 1957, members opposite established that seven years was a reasonable period of service to entitle a person to long service leave.

The Hon. D. N. Brookman: Your side opposed the Bill.

Mr. HURST: Of course we did, because who could agree to a Bill that provided for one week's leave after seven years' service? The Labor Party did not think that leave was sufficient.

The Hon. D. N. Brookman: Actually, you were under instructions to oppose it.

Mr. HURST: I was not under instructions; I may have been one of those guilty of giving the instructions at that time, and I am proud to say that. Since Opposition members introduced the 1957 Bill, 10 years has elapsed. Cries have been made about what the provisions of this Bill will cost industry in South Australia, but not one member opposite has been able to give any estimate of that cost. In the 10 years since the Act was first introduced, employers have had ample time to provide in their costing systems for increased long service leave. In cases where employees have performed 10 years' service and leave a job because of circumstances beyond their control, employers are not facing up to their obligations. True, no outright provision is made in other long service leave legislation to provide for pro rata leave after five years' service. However, in 1963 the following provision was made in the New South Wales Long Service Leave Act:

In the case of a worker who has completed with an employer at least five years' service as an adult, and whose services are terminated by the employer for any reason or by the worker on account of illness, incapacity or domestic or other pressing necessity, or by reason of the death of the worker, be a proportionate amount on the basis of three months for 15 years' service (such service to include service with the employer as an adult and otherwise than as an adult).

That provision gives some acknowledgment to the matter of pro rata leave after five years' service. I see no reason why a provision of this type should not be included in the Bill before the House. In South Australia at present, about 40 per cent of the work force is enjoying 13 weeks' long service leave after 10 years' service. If it is good enough for 40 per cent of the work force to enjoy that privilege, why should it not be good enough for the rest? The Leader of the Opposition said that this matter was properly a job for he Industrial Commission. However, his Party is not consistent on this subject. Originally the employers applied to the commission. That application was made with full knowledge that the Labor Party had been elected on a well-known policy to provide long service leave in terms broadly similar to those in this Bill. The Opposition forgot about the Industrial Commission and, in another place, it introduced a Bill to try to short circuit the provisions that we intended to apply. This demonstrates that the Opposition is confused on this matter.

The Hon. D. N. Brookman: It is simple enough for you, because you have to take orders from the Labor Party executive.

Mr. HURST: I do not take orders: I help to give them and contribute to them, as do many others. More people would contribute to formulating the policy of the Labor Party than would vote for the Opposition at a general election, with the gerrymander of electoral districts that exists in South Australia. The Leader has tried to organize campaigns about particular legislation we have introduced, but in each instance they have fizzled out. The results of the recent Capricornia by-election speak for themselves: the Party opposite is completely out of step with modern thinking.

The SPEAKER: Order! The honourable member is getting away from the Bill.

Mr. HURST: I was trying to link up my remarks with the Queensland long service leave legislation. Many workers in Queensland enjoy the privileges of long service leave. However, we want to set an example in South Australia that will assist people in Queensland because we know their sympathies are strongly with the Labor Party. We are giving a lead that will become stronger as time goes on.

Mr. Clark: Would you agree with the Leader's contention that we put this in our policy speech to annoy the Legislative Council?

Mr. HURST: No, I would not. We were sincere in our approach and, indeed, the people of South Australia made it clear that they did not want the Legislative Council to play around with this Bill, because they have endorsed it overwhelmingly.

Mr. Clark: And the majority would be even greater today.

Mr. HURST: Yes. It is becoming greater every day and this will be demonstrated clearly next year when the people get an opportunity to again record their vote for the Labor Party.

The Hon. D. N. Brookman: What would happen to one of your members if he got out of line with Party policy?

Mr. HURST: Our policy is thoroughly discussed at our annual convention, in which everyone participates. The issues are made clear, and every member has the right to discuss them. We are not like members opposite.

Mr. Lawn: I have to keep my promise to my electorate.

Mr. HURST: Yes, and so do I. This was the policy everyone was elected on. We cannot go on ignoring the people, and we do not intend to. Indeed, we have had to explain to the people that other legislation has been rejected because of factors beyond our control. The people of South Australia are fast becoming alive to the situation whereby legislation introduced by this Government is rejected in another place, and there is no doubt that they will show this when they next cast their votes.

The history of long service leave is clear: it has always been awarded by legislation. Indeed, it is the policy of this Government that it should be awarded by legislation. As a result, this Bill has been introduced. It is indeed worthy of support of honourable members opposite and I am sure, now that I have explained these few points to them, that when the Bill gets into Committee and we can go more thoroughly into other aspects, some of them will change their approach on certain clauses.

Pro rata annual leave for five years' service is not unusual today. This Government has realized that society is changing and that progress is taking place. It also realizes that technological changes are occurring and, because of this, by force of necessity workers have to change their occupations. This is something that progress has forced on us, and our Party, in its wisdom, has foreseen this and is catering for it.

Mr. JENNINGS (Enfield): I am pleased that the nominal Leader of the Opposition has supported the second reading. Although we have not yet heard from the *de facto* Leader, no doubt we will hear from him later. However, I support the Bill, which is an uncomplicated measure designed to give effect to a major promise made by the Labor Party prior to the last election. It is not necessary to mention that that promise was endorsed by the people of this State, as the member for Semaphore has just made so abundantly clear. The public expects this Government to keep its promises (in stark contrast to what they expected from the Liberal Administration over three decades), and they expect this legislation to be passed this session.

This State is entitled to long service leave legislation. Indeed, this is the only State without it. This legislation is introduced late (16 years later than similar legislation was introduced in New South Wales), which means that the people of this State, in comparison with those in other States, have been deprived of long service leave for a great period. There is no reason why our long service legislation should not be better than that in other States. It is not the fault of the Labor Party that there is no long service leave legislation in this State. We know from experience that for 13 years before the Labor Opposition became a Government it tried to effect long service leave legislation. This Bill is no different in principle from the legislation applying in other States. Although I have been saying we have no long service leave legislation in this State, there is a Long Service Leave Act on our Statute Book. This was a result of the Playford Administration giving in to pressure and producing something that it thought would take the pressure off without doing anything to offend its own sectional supporters.

The Hon. D. N. Brookman: You opposed that legislation.

Mr. JENNINGS: Yes. I thought I made my position perfectly clear to even the member for Alexandra. I opposed it then and, as will be seen from certain evidence later, that legislation has been regarded as completely abortive by people of the same general view as the member for Alexandra (and there cannot be many of those about, thank the Lord!).

The Hon. D. N. Brookman: Are you under instructions from the member for Semaphore?

Mr. JENNINGS: No more than he is under instructions from me.

Mr. Clark: I think you'll get the "faceless men" treatment in a minute.

Mr. JENNINGS: When I look at members opposite I realize it would be a lesser affront to me if there were fewer faces on the men over there. What we got from the abortive legislation introduced by the Playford Government had nothing to do with long service leave or the principle of that leave: the legislation gave an extra week's leave for the eighth and subsequent years of service. This did not please anyone. Immediately after the enactment of the legislation, many compacts and

agreements were made exempting people, and today the legislation affects very few people.

Despite this, when the Minister was explaining the Bill now before us, the *de facto* Leader of the Opposition, the member for Mitcham (Mr. Millhouse), interjected that the present Act had worked very well. Let us see what a member of another place said about that matter when explaining a private member's Bill on long service leave last session. That member is well known and almost notorious for his right-of-centre views: he is a right wing Tory, I would say. Nevertheless, he said this in explaining his Bill:

This Bill is a genuine attempt to do something to correct the somewhat chaotic position that at present exists in South Australia concerning the matter of long service leave. As most honourable members will know, there is at present in existence an Act of this Parliament passed in 1957 which provides for one week of additional annual leave to be given to an employee in the eighth and subsequent years of service with his employer. In 1957 the subject matter of long service leave was regarded with some suspicion and apprehension by employers generally, and I think it could be said that the Act then passed by this Parliament was somewhat of a compromise measure and represented a very different approach from the general lines that were developing in other States. I think I am not being unfair in stating that the 1957 Act has not proved satisfactory. It is significant that in the period of nine years since the Act was passed, not one amendment to the Act has been proffered.

That is the answer to the member for Mitcham's interjection. What happened to that private member's Bill in the other place? Obviously, my Party has not a majority there and, if we have not the numbers, we do not count. The Minister of Labour and Industry unsuccessfully moved an amendment to the private member's Bill to bring it into conformity with what our Party had promised the people at the election. However, when the Bill reached this House in its original form, we had the numbers and amended it to accord with our policy. When this had been done, the member of this House who acted for the mover of the Bill in the other place washed his hand of the measure and did not want to have any more to do with it. The Bill had then become too good. The same member of this House, who acted, I think, quite out of character in this respect, subscribed to a piece of political propaganda circulating in his district and said that the Labor Party had thrown out a Bill providing for long service leave.

Generally speaking, the member for Torrens (Mr. Coumbe) is a veracious person. He has not said anything about that matter since. He is probably just as ashamed of that piece of political literature as he would be (and as other members on his side should be) of this thing circulating now called the *Voice of South Australia,* or something like that. We have heard interjections during this debate about faceless men, but the Liberal Party publication deals not so much with faceless men as with nameless men and women. We read such things as reports of an 18-year-old grandmother saying, "They promised to do this and didn't do it", and many other profound political statements. Recently a person whose face was shown but whose name was not was described as being a 53-year-old fitter. In the next edition of the publication one month later, he was an engineer, so that in that time his status in life had improved but in the process he aged four years! There is not much that the Liberal Party will not descend to in its actions here or outside. However, fortunately the community is not nearly so unsophisticated as it used to be.

What is the basis of the opposition of members opposite to this legislation? Frequently we hear from both the nominal and the *de facto* Leaders of the Opposition that we on this side are not honouring our election promises. Recently we had an inquiry from the *de facto* Leader about our policy on the amalgamation of the two State banks, when by implication he condemned us for not going on with our programme in that regard. However, when we introduce a measure providing for something that has been made clear to and endorsed by the people of South Australia at the election, we are told that the State cannot afford it or that there is some other reason why the Bill should not be introduced.

Mr. Curren: It is usually socialistic.

Mr. JENNINGS: Yes, and that is one reason why I find this kind of legislation acceptable, because I am glad to be described as a Socialist and to admit to being one. These arguments have been advanced many times. We heard them in connection with the 40-hour week and annual leave. Any industrial legislation of this kind has led our opponents to tell us that the State cannot afford what is being done. Members of the Opposition do not object to the fact that we are now trying to implement by legislation what already applies in the Public Service. Presumably, they think that this move has to be paid for by the taxpayer, but I do not admit that it will cost

anyone anything. Opposition members usually do not object if the taxpayer pays, but they do object if any economic disadvantage is inflicted on the profits of the people they represent. This is an uncomplicated piece of legislation which the people of the State have endorsed and which we as a Government are determined to bring into effect to honour our promise.

Mr. BROOMHILL (West Torrens): I, too, support the Bill, and have been astonished at the Opposition's attitude. This is one of the most important Bills to be introduced, but only the Leader of the Opposition and one backbencher have spoken to it. I have been equally astounded at their remarks. The Leader suggested that the Government introduced the Bill to bring about a clash with the Legislative Council. The Opposition should know that it was introduced because an undertaking was given.

Opposition members who have associated themselves with what has been said by Opposition speakers would be in considerable difficulty in their districts. I suggest to the Leader that he stop holding Party meetings in tea-rooms, that he use his caravan to travel around, and that he ask members of the community what they think about this legislation. The Government considers this a serious issue. Before the last election the Hon. Frank Walsh, when dealing with industrial matters in his policy speech, said:

As a Government, we will introduce legislation to provide for long service leave on the basis of three months' leave after 10 years' service with any employer with provision for pro rata leave for any period of time thereafter. Long service leave was considered to be so important that it headed the list of industrial matters dealt with by the Hon. Frank Walsh. We committed ourselves on this matter, and the public overwhelmingly endorsed our policy. I hope that the remarks of Opposition members will not influence the Legislative Council, because that body must seriously consider the mandate received by this Government for long service leave.

Mr. Langley: That's a non-Party House, isn't it?

Mr. BROOMHILL: No-one has convinced me of that. The Opposition's attitude to long service leave has been the same for many years. When the Labor Opposition attempted to implement long service leave conditions in 1954, the Playford Government refused to consider the matter. The then Premier said that he would never be a party to long service leave in this State. However, because of changing circumstances in other States and because of the pressures that developed in this State the then Government was forced to consider the question, and introduced legislation in 1957. That infamous legislation provided an extra week's leave after seven years, but that Government became a laughing stock because of the so-called long service leave legislation it had introduced. Both employer and employee organizations ignored the legislation, and it has been ignored throughout its life. No amendments have been made to it because it was not workable, and everyone knew that.

The Hon. D. N. Brookman: Your Party was instructed not to amend it.

Mr. BROOMHILL: The honourable member has been living in the past too long, and he should alter his attitude to this Bill. Recently, because of the attitude of the Legislative Council in depriving employees of the provisions we are now seeking, employer organizations applied to the State Industrial Court, which refrained from taking action because it considered that whilst the matter was before Parliament no award should be made. Following the rejection of the measure by the Legislative Council, the court awarded 13 weeks' leave after 15 years' service. The Opposition has suggested that we are out of step with other States in granting superior conditions. When explaining the 1957 legislation, and following an interjection by the Leader of the Opposition, to the effect that it was a thoroughly bad Bill, the Hon. Sir Thomas Playford said:

The honourable Leader may think so, but many people will not. Indeed, many will think it is good. Be that as it may, members will decide whether they like it or not according to their own desires. The Government believes it is a big step forward and a sincere effort to provide for the workers in this State benefits equivalent to those derived in other States. Indeed, the benefits derived under this Bill are in fact better than those derived under similar legislation in other States.

Mr. Clark: That was not so.

Mr. BROOMHILL: Whether it was or not, the then Premier emphasized that it was his sincere belief that the benefits were better. The Opposition now thinks it is sinful of us even to consider provisions that may be superior in any way to those existing in another State. Members opposite are inconsistent in their attitude to this matter. As I pointed out, many people who have not previously received

long service leave in terms of the existing Act are now being granted 13 weeks' leave after 15 years' service.

Obviously, with existing long service leave provisions, employers in this State have had to adjust the price structure accordingly. The difference between this Bill and the provisions being granted by the Industrial Commission will not have the effect that the Opposition would lead us to believe it will have. The Opposition has echoed the same old story today as we have heard over the years: long service leave may be all right; but this is not the appropriate time! When the 48-hour week was introduced followed by the introduction of the 40-hour week, and whenever annual leave has been increased, the Opposition has said that although it supports the principle this is not the appropriate time for such measures. The member for Semaphore, who drew the attention of members to the fact that the existing Act provided for long service leave after seven years' service and that that would be reduced to five years under this measure, pointed out that this was not a significant alteration.

In fact, the Bill contains some important features, bearing in mind the type of employment that exists in South Australia. Many females make up a high percentage of South Australia's work force and if the Opposition's earlier Bill had been implemented those women, who might have commenced work at 17 and intended to leave after nine years at the age of 26, would be deprived of any long service leave. The Opposition also made great play of the fact that this Bill would put us out of step with what applied in other States and that our provisions needed to be uniform with those existing elsewhere. However, it is difficult to achieve uniformity in relation to long service leave. The *Quarterly Summary of Australian Statistics* of June, 1967, shows that 247,600 people are working for private employers in South Australia; 27,500 are employed in this State by the Commonwealth Government; and 63,400 are working for the State Government. The 90,900 people working in South Australia for both the State and Commonwealth Governments are already enjoying 13 weeks' leave after 10 years' service. The Opposition is inconsistent when it says that there is nothing wrong with State Government employees receiving long service leave on this basis but that it is incorrect that other workers should receive such a benefit. I support the second reading.

Mr. McANANEY (Stirling): I support the line that has been taken in this matter by the Opposition. Although we do not wish to deprive employees of improved amenities, etc., we must examine priorities and decide what is in the best interests of the State. This Government has failed to create the conditions under which production can be increased and under which increased benefits will accrue. Only this afternoon the Minister of Education, when referring to State Library facilities, said that they could not be improved. So many things have been given away without a corresponding increase in the production of goods that we cannot afford to provide more than the other States are providing, if we are to maintain employment here. Although much has been said about how bad the situation in South Australia was in 1961, I notice that 1,100 more people were employed in South Australia in that year than in the previous year. The fact that employment in South Australia has not increased in the last year and that the weekly wage in this State has dropped $2 a week in comparison with that of the other States, indicates that we must create conditions under which industry can expand, thereby raising our standard of living. The Opposition will try to improve this Bill at the appropriate stage. We will not have goods at reasonable prices if additional charges are constantly imposed.

Mr. QUIRKE (Burra): As it has been said that I would not support this Bill, I shall make it clear that I do support it.

Mr. Hudson: You'll be lined up.

Mr. QUIRKE: Nobody lines me up. When I was a member of the Labor Party, its members could not line me up. The difference between this Party and the Party on the other side is that members opposite are compulsorily lined up, whereas on this side members are not lined up. A worker should be able to have money in lieu of long service leave if he does not want to take the leave. Why should a worker be compelled to take leave if he does not want to? This is another case of compulsion: we are doing everything for the worker except what the worker wants. I know about this matter because I have employed people, and I have broken the law about it! Workers do not want to spend 13 weeks at home: they would prefer to remain at work.

Because of similar lengths of service, it could be that many key men in an industry would take long service leave in less than a 12-month period, Although ways can be found to spread

out this taking of leave, it could be detrimental to the industry. Although I realize that some members opposite have great knowledge of the industrial movement, can any of them say why a worker should be compelled to take this leave if he would prefer to take the money in a lump sum? I think most employees would prefer to do this. Will the Government be prepared to amend the Bill to allow workers to take the money instead of the leave?

It could be said that it is in the interests of their welfare for workers to take leave after 10 years, and that a rest would be good for their health. However, irrespective of whether or not a worker thinks a rest is good for his health, people outside, and particularly people in this place, are prepared to say that other people do not know what they want and that they should be told what they want. It is completely and utterly wrong for workers to be compelled to take 13 weeks' leave. Progress in working conditions is being made all the time. Eventually hours will be reduced and automation will be further introduced. All sorts of adjustments will be made. However, I fear these adjustments will be made at the expense of the person who is adjusted—in other words, the man called the worker. I have never been able to define a "worker"; I do not know who he is.

The Hon. B. H. Teusner: I think we are all workers.

Mr. QUIRKE: That is what I think. However, we constantly hear that a worker is someone separated from the rest of humanity. Some of the hardest working men (who tear themselves down and suffer stomach ulcers and so on), through sheer brain work which they apply to industry, provide work for the people who are called workers, and are supposed to represent that down-trodden section of the community about which we hear so often but which is practically non-existent. Some workers can be thrown out of work because of the redundancy of their work, and this problem has not yet been attacked: long service leave does not answer it.

I notice that 600 men have been put back to work at General Motors-Holden's. However, we should not forget that they can be thrown out of work just as quickly. This problem has not been conquered by anyone: there is more to it than just this type of hand-out. I should like to see the individual worker have some say in his own destiny. The boss might say to him, "Your leave is due. How do you want to be paid? Shall we send it to you in weekly payments at your home or, if you are going to Surfers Paradise, shall we send it to you there?" I want him to be able to say, "No, give it to me in one cheque so I can do something with it, and let me go on working", but if he said that the employer would have to reply, "No, I cannot do that. The people who have such a great concern for the worker say I cannot do that." In other words, he is told that he cannot do what he wants, but has to do as he is told. That is the essence of this. I cannot see why such an attitude should be embodied in legislation like this. I know the member for Adelaide is rearing to go. I can see the sparks flying off his teeth already.

Mr. Lawn: No, I am not.

Mr. QUIRKE: The member for Adelaide is qualified to answer that question as, indeed, is the member for Semaphore, but he has already spoken. As the honourable member for Adelaide is available to give a reply, can he give one sound reason acceptable to all workers why they should not be allowed to accept this in one payment and continue working?

Mr. LAWN (Adelaide): I would not have risen but for the question asked by the member for Burra. It has long been the established practice of the Commonwealth Conciliation and Arbitration Commission to award long service leave for certain reasons. I refer to a judgment by Wright, Moore and Sweeney, J.J., kindly handed to me by the member for Semaphore, wherein it is stated:

The principal purpose of long service leave is to enable a worker to enjoy during his working life the reward of leave for long service to enable him to return to his work refreshed and reinvigorated.

Mr. Quirke: Say it is put in the legislation that he can do it?

Mr. LAWN: It has long been the established principle of the commission that long service leave is given to enable workers to have a vacation so that they will return fresh to give service to their employers: so they are not tired. The members for Stirling and Burra may laugh; they are laughing not at me, but at a judgment given by top judges appointed by the Commonwealth Government. I am not certain that all of those judges were appointed by the Liberal Government, but I believe they were. They are responsible men. When members laugh they are laughing at the principles laid down by the judges of the Commonwealth Conciliation and Arbitration Commission.

Mr. Quirke: And in this way the employer gets something out of it, too.

Mr. LAWN: Yes. The employee gets three months' vacation and the employer gets a refreshed, reinvigorated employee back in his service.

Mr. Quirke: It would take him three months to get his muscles back again.

Mr. Broomhill: The employees would probably last longer.

Mr. LAWN: Yes, they probably would from a health point of view, and they would work better than employees who did not take leave would be able to work. If the honourable member casts his mind back to the conditions obtaining early this century or late in the last century, he would know there was no such thing as holidays, sick leave, or long service leave (except in the Public Service).

Mr. Broomhill: The working man then lived only to about 53 years of age.

Mr. LAWN: The working life today is longer than it was prior to the 1920's, when payment for public holidays began. I can remember the employers saying, "What, pay them for not working! That is unheard of. It is ridiculous." The judges have seen the advantage of giving paid holidays, annual leave, sick leave and long service leave. I have heard remarks made by members of the medical profession regarding paid sick leave: it is advantageous not only to their patients but to the community in general.

Mr. Quirke: That does not answer my question. A workman is being compelled to do something. If he wants to go on working, he should be able to.

Mr. LAWN: If the honourable member looks at clause 7, he will see that it provides:

When a worker becomes entitled pursuant to this Act to long service leave such leave shall be granted by the employer as soon as practicable having regard to the needs of his establishment, or subject to subsection (3) of this section at such time or times as may be agreed between the employer and the worker.

The Hon. Frank Walsh: He must give 60 days' notice.

Mr. LAWN: Yes, before he gets the leave.

Mr. Quirke: When he starts, he has to take it all.

The Hon. J. D. Corcoran: No.

Mr. LAWN: Clause 7 (3) provides:

Leave shall be granted and taken in one continuous period or, if the employer and the worker so agree, in not more than three separate periods in respect of the first thirteen weeks entitlement, and in respect of any subsequent period of entitlement in periods of not less than four weeks.

The honourable member is wrong when he says an employee has to take it immediately.

Mr. Quirke: I did not say that. I said he had to take his leave and that he could not go on working and take the money.

Mr. LAWN: I will come to that in a moment. I want first to show the reason why leave is granted. It does not have to be taken immediately. The honourable member asked why a man should be off for three months, and said that after he had done a few odd jobs he had nothing to do at home. He does not have to take three motnhs at once: the leave can be taken in three separate periods. He also asks why a man should not be allowed to take the money in lieu of the leave. The court has given one very good reason: that a man should be able to have a rest and return refreshed and reinvigorated for another 10 years' service. I recall the statements I made and the questions I asked when the working week was reduced, particularly when it was reduced from 44 hours to 40 hours, and the Party opposite and employers stressed that employees wanted not a reduced working week but more money and more overtime. We are getting back to the same position. Members opposite advocate that, instead of giving employees a rest after 10 years' service and thus giving the employer an invigorated employee, the employer should give the employee three months' pay and allow him to work on. However, that principle does not comply with the title of the Bill, which is a Bill for long service leave.

Mr. Quirke: All I say is that, if a man wants to take the payment, why can't he do so? Why should he be compelled to do otherwise?

Mr. LAWN: The trade unions and the employers agree that the employee should take his vacation and come back to work refreshed. Why should some employees work for 10 years and take payment for long service leave due, then work on for another 10 years and take the payment, and knock themselves up at about 50 years of age? Our forefathers worked for long periods without a break, and they did not live as long as we are living. The honourable member should think back to those days. Legislation should be beneficial to the community, as this Bill is. The Bill prevents people from working on and dying before they would die if they had a properly ordered working life.

Industrial legislation of this kind has come into operation only in the last 40 years or 50 years. The Harvester Award, which was

made in 1907, was the first attempt to settle a basic or minimum wage. However, provisions regarding holidays first operated only in the 1920's. If we are to say to employees that there is no need to take long service leave, the same argument could be applied to annual leave. We could say, "Why close a factory for two weeks, three weeks or a month each year? Why not let the employees work on, instead of having them returning to work refreshed after a holiday?"

Mr. Quirke: Why should an employee not do as he wants once in his life?

Mr. LAWN: I think the honourable member is being ridiculous. On that line of argument, why should we prevent anyone from committing a murder? Further, if someone wants to take off his shoes in a shop and throw the shoes through the glass windows, as has happened in my district, why should we prevent it?

Mr. Quirke: Why should employees be compelled to take the leave?

Mr. LAWN: In the interests of industry and in the interests of the man and his family. Many men would do as the honourable member suggests and go on working in order to get extra money to meet commitments. However, a holiday for three months is much more beneficial to the employee and his family, and it is better for industry. Members opposite, including the Leader, the member for Mitcham (Mr. Millhouse) and possibly others, have been asking the Government to introduce legislation in regard to the drug L.S.D. If the argument advanced by members opposite about the Bill before us is correct, we should say, "If a man wants to suck this blotting paper with L.S.D. on it because he wants a 'trip', why should he not be able to do so?" We want to give employees a genuine holiday trip.

Mr. Quirke: One gives a child a penny cracker, but not a plug of gelignite.

Mr. LAWN: What I have said is not only the view of the member for Adelaide, but also of the judges of the Commonwealth industrial tribunal, trade unions and employers.

The Hon. FRANK WALSH (Minister of Social Welfare): I agree with the member for Torrens that the Metal Trades Award has been recognized as being the major indicator, particularly in connection with Commonwealth awards. I appreciate what the member for West Torrens has said about the introduction of this Bill. On February 19, 1965, I delivered a policy speech on behalf of the Labor Party in this State, and that speech included this statement:

As a Government, we will introduce legislation to provide for long service leave on the basis of three months' leave after 10 years service with any employer, with provision for pro rata leave for any period of time thereafter. In addition, leave for casual workers similar to that which applies to waterside workers will be provided. Four weeks' annual leave will be provided for all Government day workers, with an additional week for continuous shift workers.

That was our policy and I do not think any Opposition member can say that we are not entitled to honour a mandate given to us. Soon after we formed a Government, we provided service pay for daily-paid Government employees. I told a meeting attended by about 1,500 people engaged in an industry associated with Government work that the Government, having introduced service pay, intended to introduce workmen's compensation legislation, and that has now been dealt with. I also said that equal pay for work of equal value would be introduced in July, 1966, and that has been done.

We are now honouring our policy and giving effect to my statement that a Bill dealing with long service leave would be introduced during 1966 or 1967. During discussions with employers some time ago concerning the question of stone masons taking two weeks' annual leave, I suggested that the industry should be closed down during the Christmas period so that employees would not work for another employer but would be able to take advantage of their leave. I know one organization in this State (and there may be others) that insists on its employees taking their 13 weeks' long leave after 10 years' service. Because of the mandate given to this Government by the people of the State at the last election it is entitled to introduce this legislation, but I shall move an amendment in Committee.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Right to long service leave."

Mr. COUMBE: I move:

In subclause (3) after "not less than" to strike out "ten" and insert "fifteen".

This is the nub of the Bill. Throughout Australia all long service leave conditions in industry are based on a 15-year qualifiying period. I am not speaking of the Public Service. A few years ago the South Australian Chamber of Manufactures, by

consent agreement, reduced the qualifying period from 20 years to 15 years, and earlier this year the South Australian Industrial Court provided for a 15-year qualifying period. This legislation seeks to vary the uniformity that applies throughout Australia by providing for long service leave after 10 years' service. I, too, support the principles of long service leave and of arbitration and conciliation by which uniform conditions have been aimed at in all industries, but this Bill departs from that principle. The Industrial Court deferred its decision on long service leave because a Bill was before Parliament early this year. Ten years is not long service.

Mr. Broomhill: What about seven years?

Mr. COUMBE: The member for West Torrens realizes that the Act that we are repealing provides for one week's leave after seven years and for 13 weeks' leave after 20 years. An application was made to the Industrial Commission earlier this year to vary State awards so as to place long service leave on a 15-year basis. In reply to a suggestion made by a union advocate that long service leave should be awarded after 10 years, the commissioners, who had no axe to grind at all, said:

As to the terms of any order which might be made, it was urged by Mr. Wharton, who appeared for the respondent union, that it should provide for 13 weeks' leave after 10 years' service with entitlements to pro rata leave after five years' service. . . . A similar attitude to that taken by Mr. Wharton was also taken by Mr. Brown for the United Trades and Labor Council of South Australia. As to the submission that 13 weeks' long service leave should be allowed after 10 years' service, nothing of any real substance was placed before the commission. Insufficient grounds were shown to justify a departure from the general standard adopted in other awards, both State and Federal, and in Long Service Leave Agreement (No. 20) as varied by the commission. Mr. Brown, on behalf of the United Trades and Labor Council of South Australia, attacked the employers' plea for uniformity saying that it was impossible for the commission to achieve uniformity and pointing out that a not inconsiderable percentage of employees are public servants who enjoy better long service leave rights than those claimed. Nevertheless, we consider that there is some force in the plea for substantial uniformity in private industry and consider that a case has not been made out for the above provision. Accordingly we propose to provide for 13 weeks' long service leave after 15 years' service.

As regards the claim of the unions that pro rata leave should be allowed after five years' service, it was submitted by Mr. Martin who appeared for the Amalgamated Society of Carpenters and Joiners of South Australia that particularly as regards ship carpenters and joiners, the nature of the industry was such that in most cases employment would not extend beyond five years without interruption. He said that a similar situation existed in the building industry. However, it was pointed out to us that in the Federal Ship Carpenters and Joiners Award and in other Federal shipbuilding industry awards, long service leave is provided for and that the period of entitlement for pro rata leave is 10 years provided the service is terminated by the employer for any cause other than serious and wilful misconduct or by the employee on account of illness, incapacity or domestic or any other pressing necessity, or by the death of the employee. In our opinion a case was not made out by the unions for the allowing of pro rata long service leave after five years' service and accordingly we shall provide for pro rata payment after 10 years' service. We now consider the claim that the entitlement for pro rata leave should be in similar terms to those prescribed by the Shop Assistants (Long Service Leave) Award, clause 7 (*b*). The precise terms of the provision in that award are as follows:

> In the case of an employee who has completed at least 10 but less than 15 years' service with an employer and whose employment is terminated—
> (i) by the employer for any cause other than serious and wilful misconduct; or,
> (ii) by the employee who has lawfully terminated his contract of service or by death of the employee,
> a proportionate payment on the basis of 13 weeks for 15 years' service.

That is exactly what my amendment seeks to achieve. The provisions that were finally written into the award, which covers practically every employee in South Australia on a 15-year basis, are as follows:

Subject to subclause (*d*) (relating to service prior to January 1, 1966), where an employee has completed at least 15 years' service with an employer, he shall be entitled as follows:
(i) in respect of 15 years' service so completed, to 13 weeks' leave; and
(ii) in respect of each 10 years' service with the employer completed since he last became entitled to long service leave, eight and two-thirds weeks' leave . . .

The Bill that I sponsored last session would have enabled all unions to come on to the 15-year basis but, more important, the provisions relating to those few who were without the scope of the unions concerned would immediately have been brought from 20 years to 15 years. The effect of my amendment will be immediately to bring all people in this State under a 15-year term.

Mr. Broomhill: What about the 40 per cent already on a 10-year basis?

Mr. COUMBE: My remarks have been directed at every person in non-government

employment. The position in the Public Service is that three months' leave is given after 10 years' service and pro rata leave of nine days a year is granted thereafter; the pro rata leave is not granted after five years' service. I have many other amendments that hinge on my first amendment. Subsequently I will move to strike out paragraph (*b*) of subclause (3) and to insert a new paragraph. The wording of the new paragraph is the same wording as that which was included in the Bill that I sponsored earlier this year, and it is almost word for word what is included in the judgment that has just been brought down by the commission. The 8¾ calendar weeks' leave calculated will be on the 15-year basis. I am proposing a practical way of giving uniform benefits to the workers of the State and of ensuring that the legislation will be acceptable to both Houses. If the Government accepts this amendment, I give an assurance that the passage of the Bill will have my wholehearted support.

The Hon. FRANK WALSH (Minister of Social Welfare): The amendment is not acceptable to the Government. This is simply a case of the honourable member's wanting the qualifying period of service to be 15 years and of our wanting it to be 10 years. Surely the period of 10 years' service to qualify for long service leave in the Public Service is not too short: surely the honourable member would not want to make it 15 years. I point out that the judgment of the commission states that, although the applicant (the employers) placed a considerable amount of information before the commission in support of the claim, little material was tendered by the union. The reason for that was that the union knew that the matter of providing long service leave after 10 years' service would be dealt with in this Parliament. We realize that pro rata leave after five years' service is a new provision. The Public Service also desires this provision to apply to it. The Government was elected by the people on a clearly enunciated policy that it would introduce this legislation, and we expect it to be passed.

Mr. SHANNON: It is fairly obvious that the unions reached a decision in this case as a matter of policy. It seems that the Government wished to take these matters out of the hands of the commission (which it set up) and to deal with them itself. The Government has decided to disregard the tribunal and to have Parliament make the decision. Australia has priced itself out of many world markets, and the present Government of South Australia is imposing a further burden by granting an additional week's annual leave and this so-called long service leave after five years' service. I do not think the Government appreciates that the granting of all these privileges will cause industry to expand in other States but not here. The principle of long service leave is a good one but to give pro rata leave to an employee who commences work at 21 years of age and serves five years seems unreasonable. If the decisions of courts and tribunals can be disregarded by Parliament, no-one can feel secure.

The Committee divided on the amendment:

Ayes (13)—Messrs. Bockelberg, Brookman, Coumbe (teller), Freebairn, Hall, McAnaney, Millhouse, and Pearson, Sir Thomas Playford, Messrs. Rodda and Shannon, Mrs. Steele, and Mr. Teusner.

Noes (18)—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hurst, Hutchens, Jennings, Langley, Loveday, McKee, Quirke, and Walsh (teller).

Pairs—Ayes—Messrs. Heaslip and Stott. Noes—Messrs. Hughes and Ryan.

Majority of 5 for the Noes.

Amendment thus negatived.

Mr. COUMBE: I regard the vote on the first amendment as a test vote and, as the amendment has been negatived, there would be no point in proceeding with my other amendments. I regard the defeat of the amendment as an action that prevents the Bill from having a reasonable chance of being accepted by Parliament. The whole Bill has been put in jeopardy.

Mr. McKee: Is that a threat?

Mr. COUMBE: No, but I have had enough experience to know that there may be difficulty about passing this Bill. The Government, after introducing the Bill with its tongue in its cheek, has given it lukewarm support. The Minister made it clear that the Australian Labor Party in South Australia told the Government Party to introduce the Bill. All Ministers will realize the effect this Bill will have on their departments if it is passed in its present form, because wages and other costs will be considerably increased. More employees will have to be engaged to do the same amount of work because others will be on leave, and the unit cost of production will rise considerably. My amendment would have cost the State nothing, whereas the present Bill will considerably increase costs.

The Hon. FRANK WALSH: I move:

In subclause (5) to insert the following new paragraph:

or

(*d*1) by the worker because he, being a male, has reached the age of sixty years or she, being a female, has reached the age of fifty-five years if he or she has been engaged upon war service that is sufficient to justify the grant of a pension under the Repatriation Act, 1920-1966, of the Commonwealth, whether such pension has, in fact, been granted or not.

This amendment provides for those people who have the necessary service and who come within the ambit of the Repatriation Act.

Amendment carried; clause as amended passed.

Remaining clauses (5 to 16) and title passed.

Bill reported with an amendment. Committee's reported adopted.

The House divided on the third reading:

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

Noes (13)—Messrs. Bockelberg, Brookman, Coumbe (teller), Freebairn, Hall, McAnaney, Millhouse, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Rodda and Shannon, and Mrs. Steele.

Pairs—Ayes—Messrs. Hughes and Ryan. Noes—Messrs. Heaslip and Stott.

Majority of 6 for the Ayes.

Third reading thus carried.

Bill passed.

SEWERAGE ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from October 3. Page 2330.)

The Hon. G. G. PEARSON (Flinders): This is a short Bill, and there is no objection to its principle. As the Minister said during the second reading explanation, it merely corrects an oversight in the drafting of amendments under the Statutes Amendment (Waterworks and Sewerage) Act, 1966, which amended section 78 of the Sewerage Act by striking out subclauses (2) and (3) of section 78 and inserting the following in lieu thereof:

(2) After the expiration of seven days from such publication being made, sewerage rates shall be payable in respect of land and premises within such drainage area from the first of the next following payment day . . .

The purpose of the amending Act was to give effect to quarterly billing of rates, and was in line with a similar amendment to the Waterworks Act. However, the variation in wording of the two Acts was overlooked.

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

The Hon. G. G. PEARSON: Through the use of similar verbiage to amend the Sewerage and Waterworks Acts last year, an essential difference between the machinery of those Acts arises, in so far as, although it is competent in a water district to levy rates on properties (because water is accessible and available), that principle does not necessarily apply to the Sewerage Act, for two reasons: first, until a sewer main abuts a property it is impossible for the owner of that property to use the services of sewerage within the drainage area; and, secondly, although a main may abut a property, it may be a rising main and under pressure and the householder concerned cannot gain access to it. It therefore becomes necessary to insert an explicit provision in the Act. This Bill meets the requirements in so far as it seeks to insert in section 78 (2) of the Act the words, "which in the opinion of the Minister could, by means of drains, be drained by the sewer".

Under the Bill an owner will not be liable for rating on his property which has no sewer main abutting it or which may have a rising main abutting it that is of no use to him. The Bill seeks to make the amendment to the Act retrospective from the date when the amending Act of last year was proclaimed to the date on which this measure itself is proclaimed. Although these amendments tidy up the matter, I point out that a drafting problem arises: clause 3 numbers the retrospective part of the amendment as "subsection (2) of section 78" of the Act, because there happens to be a subsection (1) of section 78 in the parent Act. No alteration has been made since the original Act came into force many years ago, and the numbering set out in the amendments contained in this Bill needs some attention. Having conferred on the matter with the Minister and the Parliamentary Draftsman, I intend to move an amendment in Committee which will correct the position but which will not alter the sense or intent of the Bill in any way. I commend the Minister for discovering the problem that arises from the amendment enacted last year and for seeking at the first opportunity to remedy the position.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Sewerage rates to be payable so soon as sewer laid down."

The Hon. G. G. PEARSON: I seek your guidance, Mr. Chairman, concerning the way in which I should move to insert a new clause in place of the existing clause 3.

The CHAIRMAN: I suggest that the honourable member vote against the existing clause 3 and then move to insert the new clause.

The Hon. C. D. HUTCHENS (Minister of Works): I intend to agree to the honourable member's amendment. Indeed, I thank him for drawing the Committee's attention to the matter and for correcting a drafting error.

Clause negatived.

The Hon. G. G. PEARSON moved to insert the following new clause:

3. Section 78 of the principal Act is amended—

(*a*) by inserting after the word "area" in subsection (2) thereof the passage "which, in the opinion of the Minister, could, by means of drains, be drained by the sewer";

(*b*) by inserting after subsection (2) thereof the following subsection:

(3) Subsection (2) of this section, as amended by the Sewerage Act Amendment Act, 1967, shall be deemed to have come into operation in its amended form upon the commencement of the Statutes Amendment (Waterworks and Sewerage) Act, 1966.

New clause inserted.

Title passed.

Bill read a third time and passed.

PLANNING AND DEVELOPMENT ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 19. Page 2006.)

Mr. MILLHOUSE (Mitcham): The writer of the Premier's second reading explanation (of course, we must sheet the responsibility for this home to the Premier) is a master of dissimulation because the real effect of this Bill is not set out in that explanation. Its real effect is that from the time the strata titles legislation comes into effect, which will be within the next few weeks or months, every home-unit scheme must come under that legislation and it cannot be effected without that legislation. I think the Premier owed it to this House and the public of South Australia to make this point clear in his speech, yet I have to confess (and, of course, I have not the quickest wits in the world) that I had to read through the speech several times and to go through the Planning and Development Act and note the amendments made by this Bill before I realized its true import. Perhaps I should explain how this effect comes about, since the honourable gentleman did not see fit to do so. Section 44 (4) of the Planning and Development Act, as it stands, states:

(4) Subsection (1) of this section shall not apply to any land that includes or constitutes a building or any portion of a building designed as a unit for separate occupation within a building unit scheme comprising three or more of such units erected on an allotment and approved by the council within whose area such allotment is situated if such land is held and dealt with as a unit for separate occupation within such a scheme.

In other words, this subsection makes an exception to the prohibition against selling, except in allotments. The amendment in this Bill limits that exception to buildings that are now used as home units, whether they were originally built for such purpose or not, built between January 1, 1940, and the date of the coming into effect of the strata titles legislation. So, in fact, any future scheme for home units must come under the strata titles legislation that we passed some time ago. This point should have been stated straightout. I am not certain that it is a good thing that all home-unit schemes must observe this provision.

The Hon. Sir Thomas Playford: If a law is not made they will not do it.

Mr. MILLHOUSE: Maybe that is so. I leave that point to one side. It depends on how popular this legislation proves to be, and we will not know that until the members of the public and the legal profession start to work it to see what traps, pitfalls and defects it may have. Apart from that consideration, there are several points that make me wonder whether it is a good thing that this legislation must be used in every case.

First, there is the question of the extra expense to which those who want to erect home units will be put. I remind members that under the strata titles legislation that we passed there is the obligation to pay up to $100 into a fund. Section 223md (6) states:

Without limiting the power contained in any other provision of this Part for the making of regulations for any of the purposes of this Part, such regulations may provide that, in relation to strata plans (other than strata plans to which subsection (3) of section 223mc of this Act applies), the granting by the Director of an application referred to in subsection (2) of this section shall be subject to the payment to the Director for payment by him into the Fund established under the Planning and

Development Act, 1966-1967, of a sum calculated at a rate not exceeding one hundred dollars (if the parcel is situated in the Metropolitan Planning Area within the meaning of that Act) or forty dollars (if the parcel is situated otuside that planning area).

There is an extra cost that must be met in every case in which the strata titles legislation is to be used, and I have little doubt that in the course of time the maximum amounts, either $100 or $40, will be exacted. Of course, the number of home-unit schemes outside the metropolitan area is likely to be small. So, straightaway there is an amount that will have to be met by home-unit operators. Is this a good thing? There are a couple of other points I would like to raise. I have received a letter on this matter from a practitioner in town which, in part, states:

I am concerned about the initial cost to the promoters, of which we have no details at this stage—

This is because some costs are left to be fixed by regulation, and we have not seen the regulation yet—

and I am concerned about the length of time it will take for strata titles to issue after the lodging of the application. It seems to me that it will not be possible to lodge an application until after the units have been built—

and this, of course, is the position under section 223mc (4) (*e*). This subsection clearly states that the certificate cannot be issued by the local governing authority until the building is actually up, and until that certificate is issued the application for the separate titles cannot be made. So, there must be some period of time elapsing betwen the building's completion and the issuing of the titles. The letter continues:

because the council must give a certificate to the effect that they have been built in accordance with the Building Act, etc. . . . Taking this and the other rigmarole into consideration, I should imagine that a period of at least six weeks would elapse between the completion of the units and the issue of stratas.

This period of time cannot be any more than a rough estimate at this stage. We do not know how long it will take, but some time must elapse.

For a person—

and I hope the Premier will note this, because it is important—

borrowing money at 12 per cent this will be a matter of very serious import and it is possible that some promoters, when dealing with the cheaper type of units where there might only be two or three, would prefer something less elaborate and less expensive.

I need not go further; I think I have read enough to make the point that the costs can be quite considerable, and by this amendment we are obliging all those who undertake home-unit development to pay the costs that are set out in the Real Property Act Amendment Act and to undergo, or to have to put up with, the delay that I have mentioned, which also may very well mean extra costs to them. As the writer of the letter suggests, there may well be small schemes in which this is undesirable, and the promoters might desire to proceed otherwise. However, that is the way the Bill has been framed. I have some reservations about it. Although I do not intend to stand out against the Bill, I do issue that word of warning. I think we must see how this works. I think it would have been prudent to wait for a while to see how the legislation works before making it compulsory. However, the Government has not seen fit to do that. If we find it does not work, the next Government will be able to introduce legislation to make the proper amendments.

Mr. Jennings: The next Government will be the same as the present one.

Mr. MILLHOUSE: We shall see about that. I regret that we have done this so soon: I think we should have waited to see how the legislation worked. I hope the points I have made turn out to be groundless, but I am afraid there is something in them. There are a couple of drafting amendments but I do not think I need go into them.

Bill read a second time and taken through its remaining stages.

STATUTES AMENDMENT (ORIENTAL FRUIT MOTH CONTROL, RED SCALE CONTROL AND SAN JOSE SCALE CONTROL) BILL

In Committee.

(Continued from August 29. Page 1667.)

Remaining clauses (3 to 25) and title passed.

Bill read a third time and passed.

CROWN LANDS ACT AMENDMENT BILL (LEASES)

Adjourned debate on second reading.

(Continued from August 23. Page 1551.)

The Hon. D. N. BROOKMAN (Alexandra): I support the Bill. It has a special place because it provides for a new type of lease. As honourable members know, the Crown Lands Act is one of the oldest, most important

and, in many ways, most complicated Acts that we have. We should, therefore, be careful before we establish any new leases. The old ones have been well tried and are generally satisfactory, although, in my opinion, sometimes one type of lease is misapplied. I understand that there is scope for changing pastoral leases in some areas to perpetual leases, and so on. Pastoral leases were granted purely for grazing purposes, and not for pasture improvement. Because of our dry climate, South Australian farmers have become accustomed to farming in dry conditions and have a reputation for efficiency in that regard.

Tremendous developments occurred in recent decades, particularly immediately after the Second World War, when wool prices increased rapidly and other increases caused a tremendous upsurge in development. Of course, although most South Australians prefer to develop their own State and the potential here, some have gone to other States where the potential in terms of area, climate and amount of under-developed land is far greater. Although Queensland has many problems, it has a tremendous area of high-rainfall country, and similar conditions apply in Western Australia. All these factors point to the fact that we are striving to develop all the land that will stand improvement. No-one wants to improve land without having economic justification for doing so.

I am pleased that, despite this increase in development, this State now has many reserves that will not be developed. Both the Playford Government and the Labor Government have been concerned about ensuring the reservation of adequate land in areas that have not already been developed and also about maintaining those areas as reserves. Although we correctly appreciate the value of country that carries large and good trees, we tend to despise the more humble vegetation such as scrub, yacca and banksia. All that vegetation is important and we should not deplete our reserves more than is economically necessary or without having regard to the wishes of conservationists. I do not say that this Bill makes unreasonable inroads in regard to the preservation of native scrub. Although we have a shortage of reserves in some areas that have been cleared, we have other areas that we can maintain.

This area, particularly that which is between Bordertown and Pinnaroo, is difficult country. The Bill gives to the Governor power to declare any Crown land as special development land. That provision will not apply in particular to the area I have mentioned, but I have referred to the largest area at present under consideration. It has been the subject of a report by the Land Settlement Committee, which advocated caution in its development. This Bill results in part from that report. The Bill may seem unnecessarily cautious and careful, but we do not know what the results will be and I consider that to err on the side of caution is desirable. There will be no difficulty about changing later if it is found that more caution than was necessary has been taken.

Many people think that serious difficulties will arise because this country has a lower rainfall than most of the country around it and because it has experienced drift and drought troubles. However, those problems will not arise if the matter is dealt with as envisaged in this legisation. There are two particular kinds of man-made erosion. One is excessive tillage, which causes wind erosion in particular. That is how so much erosion occurred during the 1930's. At that time the farmers did not understand that working their land to such a fine tilth as they were doing caused great danger of erosion. This difficulty has been overcome as a result of advice given to farmers by agricultural experts. Another cause of drift is overstocking, although the danger in this respect is not as severe as that which results from overcropping, because overstocking does not occur so readily.

This country would be ruined quickly if it were converted to cereal farming. It requires some permanent form of pasture, with an occasional crop on a wide rotation. It certainly will not require fallowing to any degree. Possibly a short fallow will suffice, and tillage should be kept to a minimum. At one time cereal farmers did not engage in any other type of farming. However, almost all of them are now mixed farmers who grow perennial legumes such as lucerne, and by cropping the land less frequently they get better results. They are now animal husbandmen as well as cereal farmers.

This has been a marked change in the last few decades, and it is now possible to use dangerous country for farm lands. Although lucerne has been known and grown for many years we now realize that it has a tremendous future, because its past failures have been caused by factors that were not understood properly, such as insect pests. We now realize that lucerne will grow on vast areas with a wide range of soil and climatic conditions. Country to be considered for special development leases will be able to grow lucerne and,

if permanent pasture is required, this can be profitably grown as the sole perennial: it does not have to be mixed with other sown pastures. I, and many others, believe that it is a mistake to sow lucerne with a perennial plant such as veldt grass, because they compete for summer moisture, although lucerne makes more use of the moisture. Lucerne grown alone will produce well during the driest summer because there are always some summer rains; yet in the winter, when it is relatively dormant, its place as a stock food can be taken by annuals. Because of our changed thinking, light rainfall country is worth developing and lucerne will provide the key to this development, but that does not mean that certain medics, clovers and perennial veldt grass will not be of value.

The Bill may be considered as cautious, but it is necessary to proceed slowly and to observe what happens. Clause 4 sets out the special development land and excludes areas that, I presume, are subject to too much erosion to be safely used. These areas of development land will have to be fenced and kept free of vermin. Clauses 11 provides for the declaration of special development lands and special perpetual leases. These leases will be available to a wide range of people, and those who would otherwise be excluded from taking up a perpetual lease because their ownership reached the maximum unimproved value will not be restricted. However, they have to satisfy the Land Board and the Minister that they have the capacity and financial and other resources necessary to develop and manage the land in connection with which the application is made.

It is possible for them to sell the land, but it will remain under its original lease and the sale will be subject to Ministerial consent. The schedule sets out the conditions of the lease. The original Act provided for reservations of minerals, gems, precious stones, etc., and this schedule, in addition to covering those items, has a reservation allowing the Crown the right to enter upon the leased land to construct drains and/or pipe tracks and/or to lay pipes and/or to conserve water for public use where required without any payment to the lessee of compensations. If the Crown takes action that would normally require payment of compensation, I cannot understand why this particular lessee should not be allowed it. Covenant vi provides:

During the first two years clear, sow and maintain pasture on not less than one-eighth of the area specified herein and during the second two years clear, sow and maintain pasture on not less than one-eighth of the area so specified and during each succeeding year clear, sow and maintain pasture on not less than one-eighth of the area so specified until the whole of the area so specified has been cleared and sown as aforesaid and will at all times maintain pasture on the land so cleared and sown.

I presume that, as in most leases, the Minister has power to waive these conditions if difficulty is experienced and reasonable cause exists.

Although it is provided that the lessee must reside on the land for nine months of each year, I presume that this condition will not be applied often. At present, a similar provision is waived in many cases and the lessee does not have to reside on the land. The tenor of this legislation implies that the job of development is for the big men who have shown their capacity to develop land and who will not be restricted because they own other land. All this implies that you will get somebody who has experience and finance behind him, but that type of person is probably residing somewhere else. I ask the Minister to comment on whether this condition will be insisted on in many cases. In many ways it does not seem an attractive proposition to a person to take on one of these leases. If all the conditions are insisted on, it will mean a considerable investment. If anybody wants to spend money quickly, this would be a good opportunity to do it. In a few years he will have to clear every acre not otherwise excluded. On the other hand, perhaps it pays to be cautious. I was tempted to ask whether we could go a little faster and be more liberal, but I think the Bill should be left as it is. If the leases operate the way they are operating now, perhaps in a few years the legislation could be made less stringent. I support the second reading.

Mr. NANKIVELL (Albert): I do not wish to delay the Bill by speaking at length. I could speak about this area for a long time, as it is well known to me: I have been closely associated with it over a period of 30 years, and I have more recently been a member of the Land Settlement Committee, which conducted an inquiry into its development. More recently still I have examined the development being undertaken by private persons (as was mentioned by the Minister in his second reading speech) who are developing country on the fringes of this area.

I know there are problems. When I looked at the soil utilization maps prepared by Mr. Keith Woodroofe of the Agriculture Department, I was surprised to see that there was

so much country that could be developed completely to pasture. When one goes over this country as it is now, with mallee broom bush in very few areas but principally heath and honeysuckle, one tends to judge it more harshly than when it has been developed. Some of the country has high hills and at first glance it appears that development is impossible, but once it has been developed it has a much kinder look. It is hard to assess this country.

The Hon. J. D. Corcoran: It doesn't look as bad looking to the west as it does looking to the east.

Mr. NANKIVELL: The Minister has made a point, the reason being that the particular type of soil structure is what is known as a barkan system, which is a half-moon shape sand ridge facing away from the prevailing wind with its mouth to the east and a long slope to the west. It looks better looking eastwards than westwards.

Mr. Coumbe: Is that an optical illusion?

Mr. NANKIVELL: No, it is a fact. In developing the country one has to measure how far one should go back on the ridges and how high one should go on the slopes without seriously disturbing the section on the eastern lip, which can easily be set in motion. I have seen these hills moving with gentle breezes after a fire has been through the country. Once they have been denuded, there is a tendency for the lip of the hills to keep moving. It was the practice in the country originally to fire it so as to get grass to grow on it. It was common practice until the fire regulations were tightened up to see big fires burning in what was known as the desert, but we do not see those fires nowadays. Committees were formed to bring pressure to bear on the Government to have something done regarding firebreaks—protective measures to enable access to fires and to prevent fires from coming out of the country, because it is said that at one time, had the wind not changed, Keith could have been burnt out by a fire starting in the area.

That gives some background to the type of country. There have been many problems with the development of the country, apart from its instability. Its rainfall is unknown, although it is assumed to be somewhere between 14in. and 17in. The 17in. line is usually defined as a point at which yacca will grow. That is the only guide there is to the possible extent of the better rainfall throughout the area. There are also problems of establishment. If the country is not handled properly initially it could present subsequent problems of some magnitude. The department has already been confronted with some of the problems on land currently held under perpetual lease. People who have gone about developing it in the wrong way have got it in such a state that there has been difficulty in re-establishing it. When it is ploughed initially it contains much vegetable matter, and it does not move or drift. It is stable then, but it is vitally important that the initial establishment is successful. This is why I am pleased to see provisions in the Bill to ensure that this will be so. It is not known whether pastures can be re-established on this land or what the practice of renovation will be. It is considered that there will be some stability after a period of time and, if there is a good lucerne or veldt grass stand, possibly renovation practices can be carried out.

It is principally an area of deep sand. Medics will not establish on deep sand. There is no clay in most of the area within 60ft. of the surface in this country. I was surprised to see the amount of better-class country indicated on the soil utilization maps. This indicated that there were substantial areas where there was clay reasonably close to the surface but this is principally in the drier part on the eastern fringe of the area that it is proposed to open up first. This is where there is a substantial area of land with 3ft. of sand over clay. In some places the clay is on the surface and there are hard red mallee flats that are most attractive to the cereal farmer. There will be other problems, of course: access roads is one. This is holding up development. At present there is a road between Pinnaroo and Lowan Vale that is in the process of being progressively sealed. It has a sand-clay formation. It has been stabilized and consolidated, and it is expected that it will be a sufficiently sound and solid base to hold up to sealing. The road needs to be fairly sound and solid because of the volume of traffic it carries, including vehicles carrying sheep from Yelta, Wentworth and from the Loxton and Pinnaroo sales through to the South-East.

Another road runs from a point a little west of Lameroo, linking up with the road coming north from Keith. They are the only roads at present constructed in this area. Much material has to be moved into the area for development. One of the problems in stabilizing the existing road between Pinnaroo and Bordertown concerned the superphosphate carter who occasionally got his big load hopelessly bogged, and left the road in an absolute

mess by the time a couple of tractors had towed his vehicle out.

A difficulty will arise in relation to access and keeping roads at a reasonable standard in order to stand up to the type of traffic that will be required to take heavy materials, such as building materials, superphosphate, etc., into the area and to get wool and produce out.

The principal feature of which I approve in the Bill is the special development lease and the fact that unimproved value restrictions do not apply. This was a necessary provision, for which the Minister gave good reasons. The people most interested in this country will be those who already own adjacent land and who may well have been prevented from taking up this land if the present unimproved value provisions in respect of perpetual leases were not waived, as they are being waived in this instance.

I do not believe that at this juncture it will be so easy to attract the other type of developer, that is, the person who has capital for investment in land development or (let's face it) taxation capitalization. That type of person can go to Victoria, as the Minister well knows, and take up similar country on a freehold basis with no restrictions, and that is, of course, far more attractive to him than taking up leasehold land with this sort of provision. Releasing the area from the unimproved value limitations will be a way of developing the land as requested by many witnesses who appeared before the Land Settlement Committee. It will also be a way of having the land developed for the use of farmers' sons and developed by means of normal farming plant and equipment. This can be achieved. The normal practice in this type of country is to fallow it late in the winter or in the spring, leave it in fallow over summer, and sow lucerne with a light cover crop of 5 lb. of oats per acre in the autumn. That means that the sort of machinery normally used for cultivation is used out of season.

Likewise in respect of seeding equipment, drills are used to sow establishing pastures prior to the time that may be required to convert to combines in order to carry out the ordinary seeding operations. That can work in well with the use of the normal farming machinery that adjoining landholders own. These are the people who will take up this land, and I know they are anxious to do so. I am also aware that other people will believe that they have some entitlement to the land because it will be cheap. These people will be most upset about being prevented from taking up this sort of country. I wholeheartedly support the provisions restricting the right to take up this land, which cannot be placed under any form of stress; it will need to be developed and stocked cautiously in the initial stages to ensure that the pasture established is adequate and that it will produce a vigorous stand which will survive in subsequent years under normal management. A person who has to meet commitments may be obliged to over-stock the land (especially with a sudden drop of 25 per cent in the wool price, as has occurred recently), and that will be fatal. We are still learning much about management.

New techniques were implemented this year, and I should think that Mr. Stanley ("Snow") Rodda himself, has tried out several new techniques concerning this sort of country. That gentleman, unfortunately, has run into considerable difficulty this year, as I understand there has been only 5in. of rainfall over most of the area. The difficulties in establishing under these conditions, and, more particularly, the problem of maintaining adequate stock to meet commitments are matters on which Mr. Rodda can give first-hand information either to members or to the department.

I wish to see this Bill passed; I have been asking for this legislation for many years. I know that matters will arise in the administration of this measure in respect of which amendments may be necessary. However, I believe that the Bill at present contains the necessary safeguards and that it will enable the country to be opened up. Indeed, I hope that this will eventuate before next season.

Mr. RODDA (Victoria): I, too, support the Bill, and in doing so I point out that I am not in favour of what the Government has done generally in regard to freeholding, and I believe that a future Government with a different philosophy may rectify certain defects in accordance with the wishes of the people. The member for Albert has given the House a full (if perhaps an all too short) exposition of his great knowledge of the area. The honourable member was a member of the Land Settlement Committee when it examined the area. This is one of the large tracts of Crown land, as the Minister correctly pointed out when explaining the Bill, in the assured rainfall area of the State that is capable of development. Indeed, I commend the Minister for his initiative in introducing this Bill. The land in question is known for some reason or other as the tiger country.

The Hon. J. D. Corcoran: That was the term used by the press.

Mr. RODDA: I know my colleague does not approve of the term. All too long ago I was a member of the important branch of the services known as the "blue orchids", and I well remember the time when the navigator of a certain aircraft was making heavy weather of it from Bordertown to Mallala. There was a shocking north wind and he was flying in an old Anson. He wrote in his log after leaving Bordertown, "Passing over tiger country. Everything in order and going to sleep." Then, 55 minutes later, there was another entry, "Out of tiger country. Mallala in sight." So, even then, it was known as tiger country.

I am sure some people will be happy in this country. The member for Alexandra has given the House the benefit of his great agricultural knowledge, and my colleague on the back bench has also contributed to the debate. I know the Minister is mindful of the fact that these holdings must be big enough to provide a living area. Unfortunately, we have seen part of the lower South-East, the area north of Lucindale, run into difficulties. The problem is that the areas are too small, and the Minister knows this only too well. I am sure his board and his director know this, too. We should have no fears on this score.

The special development clauses in the Bill represent an innovation and it gives us heart to know that these clauses are tailor-made to suit specific country. We have learnt from our mistakes, and this legislation must give heart to the people who will ultimately develop this land. There will be need for care in respect of the agricultural practices that are adopted in the area.

The member for Albert referred to the need for roads. We cannot get roads built too soon in developing areas. In the war service settlement projects in the South-East and, to a lesser extent, the new areas, the settlers had occupied the land before there were roads. Settlers in a new area must have roads. I endorse the remarks of previous speakers about this Bill, and I commend the Minister for introducing it. It will bring into production land that has problems, but which nevertheless has an assured rainfall of 17in. or 18in. a year. It is a relatively safe area, notwithstanding some soil instability. There are many areas in this State with a lower rainfall than this area has. I support the Bill.

Mr. McANANEY (Stirling): This is a very good Bill, as it helps to open up country, and we need to open up more country in South Australia, as we seem to have reached the limit of our resources in many respects. More land in South Australia has been damaged through lack of finance than through lack of know-how. It is essential that the department, in assessing rents, should take this into account. It would be right for the State to lose something in rent if it meant making this a successful venture and not flogging the land.

Rather than requiring large holdings in areas like this, I believe that the most important requirement is that a landholder should have sufficient capital to develop the land fully. In land such as this the paddocks must be small. The member for Alexandra said that lucerne would be the best legume for this area, but I point out that if one is to grow lucerne successfully it is essential that the paddocks be small and that there be water in every paddock.

A mistake in this regard was made in the Brigalow country of Queensland. I think the farmers there were given 5,000 acres to start with, and there was a definite borrowing limit. Some of them did not have enough capital and were not doing too well, so they were given an additional area but no more money—and the scheme was not a success for that very reason. Therefore, capital is the most important requirement for the effective use of this land.

It has been suggested that the sandhills be fenced off. However, I point out that there must be scientific fencing; this point is often overlooked. For example, sheep may cut around a square corner, and within two years a sand-drift is created. The fences must be straight with no corners that may become sandy. Some members have said that people on adjoining farms will acquire this land, but one of the conditions of the lease is that they must occupy the land for nine months of the year. I hope this provision will be administered flexibly. If someone is nearby, but not actually living on the land, he should be considered as being in physical possession of it. The provision that proprietary companies cannot hold leasehold land is a bad mistake.

The Hon. J. D. Corcoran: If you saw what they were doing, you would not think so.

Mr. McANANEY: There are ways in which they could be controlled even though considerable administrative work may be involved to ensure that liberties are not taken with this method. I would not continue farming unless I worked under the proprietary company system so that my property could

be handed on from generation to generation without inconvenience and bother. Farms should be managed in the same way as businesses in Adelaide: as companies. Unless one can work under that system with a small farming business, one is in difficulties. I notice the Minister is shaking his head, but it is not correct to say that one cannot operate under this system merely because liberties have been taken with it.

The Hon. J. D. Corcoran: It is almost impossible to administer.

Mr. McANANEY: Nothing is impossible in this world if one has the will. I support the Bill and trust that it will be administered in the right spirit and that these people who show initiative and drive will be allowed to operate to the benefit of themselves and of the State at the same time.

Mr. JENNINGS (Enfield): I support this long overdue Bill and commend the Minister for introducing it. I rise particularly to commend the member for Stirling. Indeed, I wanted to do so last night when he spoke about a circular tank stand. He got his angles right but then he knocked over the stand with a bulldozer and it is still there! His story reminds me of my Irish ancestor who built a fence 4ft. wide and 3ft. high. When asked why he built it that way, he said, "If it's knocked over it will be higher than it was before."

I again commend the member for Stirling. I listened attentively to what he said and I could hear him, which was unusual. Having commended him to this extent, I solemnly propose now that I will never listen to him again.

Mr. FREEBAIRN (Light): I add my support to the Bill. My accountant friend (the member for Stirling) observed that it would be a good thing if more farms in South Australia were held not by a simple proprietorship but by a proprietary company. At that point the Minister interjected, although I could not quite follow what he said. I hope that, when replying in this debate, he will say why he is not happy about proprietary company ownership of leasehold land.

Mr. CASEY (Frome): Very briefly, I support the Bill.

The Hon. J. D. CORCORAN (Minister of Lands): I thank members who have addressed themselves to the Bill for their support. Much thought and work has been put into the measure by the departmental officers, particularly by members of the Land Board. As members have said, this is a sound measure. Some comment has been made regarding the safeguards built into the Bill but, generally, it is considered that these are necessary. I agree that, although we may not have to use all the provisions at any one time, it is still desirable for them to be there if their use is necessary, and that is the way they will be administered. The member for Alexandra said that the Bill could apply not only to the land we are discussing but to other areas of the State if necessary. This, too, is desirable because, as he pointed out, much pastoral country in this State can now be developed agriculturally as a result of new techniques. It is possible for the people who own such land to surrender it absolutely when, on an understanding entered into prior to the surrender, it reverts to Crown land and can be dealt with as such. Although it may be a difficult process, I believe that land covered by the Pastoral Act can be brought under the Crown Lands Act. Although I am not sure of that, I know it can be done by absolute surrender.

The members for Alexandra and Stirling referred to the residential clause. However, there is power under the provisions of the Act to waive this clause for a period, and each case will be treated on its merits. It can therefore be seen that this provision is not adhered to in a hard and fast fashion. If the member for Stirling was sitting in my chair, he would see the number of times a week this clause was waived. Common sense is applied not only to the administration of leases but to other aspects of administration in the Lands Department.

Regarding the Twelfth Schedule, the member for Alexandra queried the right built into the reservations to construct drains and pipe tracks, to lay pipes, and to conserve water for public use when required. I think that if he reads that a little more closely he will find that this reservation allows a right of entry on land to construct, to lay pipes, or to conserve water without the payment of compensation. That is the right of entry if land is taken for this purpose. Compensation would be payable as it is in respect of existing leases. Therefore, it provides for the right of entry without the payment of compensation rather than the right to construct.

Mr. McAnaney: Are these lessees under any great disadvantage?

The Hon. J. D. CORCORAN: No, because the right of entry obtains in other leases to construct drains. The South-Eastern drainage scheme could not have proceeded had this not been permissible. I thank the member for

Victoria for his commendation. He referred to tiger country but I would prefer it not to be known as that, because it can be controlled. Further, I am a little envious of that term, because I believe it rightly belongs to the area around Tantanoola, whence the original tiger came, and not the area referred to by the honourable member.

Regarding the concern expressed by the member for Light (Mr. Freebairn) about the Government's policy of not permitting the leasing of land under the Crown Lands Act to proprietary companies, I can say that we did not cancel any existing leases of that type. We decided that such leases would not be granted in future, because the Land Board had drawn my attention to the extreme difficulty that it had been experiencing in applying the provisions of the Act to proprietary companies as a result of the many ways in which shares could be held. It became almost impossible to check the shares in order to ascertain that any particular member or all members of a company were not, in fact, exceeding the limitation.

The member for Stirling (Mr. McAnaney), who is an accountant, would know the position. I am sure that the people handling these transactions knew that this sort of thing was going on. I think that they were surprised that action similar to that which we are now taking had not been taken before, and that they were not particularly surprised that a stop was being put to the practice. I am satisfied about the way in which the Land Board operates, and I am sure that the board is quite capable of keeping the necessary records. Further, I am certain that if the board had not been experiencing difficulty it would not have made this suggestion. I am pleased at the support that the Bill has received, and I hope that the measure will do all that we expect of it and that this land will be brought into production satisfactorily.

Bill read a second time.

In Committee.

Clauses 1 to 10 passed.

Clause 11—"Enactment of Part VIA of principal Act."

The Hon. D. N. BROOKMAN: Can the Minister say what is intended by the reference in new section 66f to the delineation of excluded areas? I take it that this matter refers to soil erosion, and I should like to know whether the soil conservation officers will be involved in this matter and who will give advice on this point.

The Hon. J. D. CORCORAN (Minister of Lands): The honourable member is correct in saying that this matter relates to soil erosion. As the member for Albert (Mr. Nankivell) has said, the area contains a number of high ridges, and it is desirable that these be delineated and fenced so that they will be protected and not grazed in any way. Doubtless, the services of the soil conservation officers of the Agriculture Department will be required to patch out and delineate the areas when a block is surveyed, and the fencing off of those areas will then be required.

Mr. NANKIVELL: Provision is also made for the preservation of five acres for every 250 acres of the area leased. In blocks where there are substantial areas of high ridges and large acreages are reserved, will the department still insist on this covenant? It seems to me that, in those circumstances, adequate areas would be retained for bird life and other life and also for the preservation of specimens of flora. What the Minister said about the eastern slopes was correct. If these areas are not fenced, the stock eat out the vegetation, and on some blocks substantial areas may have to be delineated and fenced off.

The Hon. J. D. CORCORAN: The covenant in the schedule—

The ACTING CHAIRMAN (Mr. Hughes): I draw the attention of the Minister to the fact that we are dealing with clause 11, and there is no schedule attached to that clause.

The Hon. J. D. CORCORAN: I realize that, but it is contended in questions that have been asked that this matter refers to the delineation of areas and the setting aside of five acres in every 250 acres. I suggest that the five acres would be a requirement as well as the areas delineated. As I have said, a substantial area will be set aside as a reserve, but I do not consider it unreasonable to require five acres in 250 acres in the patching out of these areas that the soil conservation officers may require patched out. Large areas may not have to be patched out, because there are certain areas of flats on this land.

Mr. RODDA: Referring to new section 66f, a settler may have developed the land but it may be necessary for the Minister to increase the excluded areas. This action would restrict the acreage held by a lessee, and we all realize that he must have sufficient area. No doubt the clause is included for a good reason, but care must be taken in its application.

The Hon. J. D. CORCORAN: Once blocks had been surveyed and examined by the Soil Conservator or his officers, I would be surprised if any large areas had to be subsequently delineated and fenced. However, this clause is a safeguard, and if its provisions were used a lessee's area would not be so reduced that it would be uneconomic for him to continue.

Mr. CURREN: Will the high ridge areas areas fenced off be part of the lease or will they remain Crown land?

The Hon. J. D. CORCORAN: These areas will be part of the lease. The lessee will be required to fence them, but he will not be permitted to graze stock on them.

Clause passed.

Clauses 12 to 15 passed.

Clause 16—"Enactment of the Twelfth and Thirteenth Schedules."

Mr. NANKIVELL: The Tatiara District Council has asked whether it would be expecting too much for a person clearing land to proceed beyond the first 1,000 acres, as this may overtax the resources of the person developing this land. Also, nothing is provided for payment of compensation for capital improvements if the Crown resumes leases. Apparently, the lessee is unable to obtain redress if the resumption provision is invoked.

The Hon. J. D. CORCORAN: I received a letter from this council, but, at present, this question must be considered hypothetical. The Land Board and the department are sympathetic and not dogmatic, and I am sure that no difficulty will be experienced in this matter.

Mr. NANKIVELL: What about paragraph 4 of the Twelfth Schedule?

The Hon. J. D. CORCORAN: Paragraph 2 of the Twelfth Schedule provides:

The lessee shall not . . . . effect any ground or structural improvements on the land without first obtaining the written approval of the Minister: Provided that where the lessee effects any improvements with the consent of the Minister he will within three months of their completion lodge with the Minister a statement giving full particulars of such improvements and their location and cost.

This would indicate that provided the improvements had been erected on the property with the consent of the Minister those improvements would be paid for. The compensation would relate to the land and not to the improvements. This, of course, is the normal procedure in pastoral leases or leases that are not perpetual, and in miscellaneous leases where the consent of the Minister is required. This is the value that would be paid if the area were resumed from a lessee. This is no different from a normal resumption. Although I am not certain that this is the case, I shall check to see whether I am correct in assuming that any improvements on the property, but not the land itself, would be paid for.

Clause passed.

Title passed.

Bill read a third time and passed.

MINING (PETROLEUM) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 29. Page 1665.)

Mr. HALL (Leader of the Opposition): In his second reading explanation, the Premier began by saying that the purpose of the Bill was to modernize and repair deficiencies in the Mining (Petroleum) Act, 1940-1963. He went on to say that the original Bill was enacted substantially in its present form in 1940, and that at that time it was regarded as a model Act and served as the basis upon which a number of other States enacted legislation relating to petroleum exploration and production. He further stated that the Act had provided an acceptable climate for petroleum exploration, but had become increasingly out of touch with the new and different demands being made on the petroleum legislation. He also stated that the principles on which the Bill had been drafted had been submitted to the petroleum industry for its consideration and comment, and that they had been approved and commended by the industry. I accept that as being the case. This is an important matter that will grow continually. Because of its effect on the economy, it is obvious that any Government must properly encourage the exploration that takes place within its boundaries for petroleum materials.

It is interesting to note the very rapid accumulation of useful discoveries of petroleum that have taken place in Australia in recent years. This has led to the increased attention being given to this matter today and the attention given to particular areas following the ability of exploration companies to attract more financial resources and, therefore, greater technical ability to make surface and subsurface investigations before drilling for oil. A bulletin published by the Petroleum Information Bureau of Australia and dated February 9 provides a good background to the search for oil in Australia. The background accurately traces the history of exploration for petroleum in Australia and the history of its discovery

across the continent. It mentions the effect this has had on South Australia, and it defines the sedimentary basins of Australia and the current exploration licences. It is also interesting to note that until the discovery of oil at Moonie the search for petroleum in Australia had entailed much hard work, high expenditure and disappointment. The pamphlet illustrates the difficulties that had been experienced and the very discouraging number of dry holes or very small strikes that were made until the last few years, in which an impressive record of strikes of both gas and oil has led to the intensive search now being conducted offshore. The pamphlet mentions the high expenditures that are essential for the exploration work and subsequent exploitation of the fields.

Since the 1953 strike, Wapet has continued its search for oil in Western Australia. More than $44,000,000 was spent before the company's first commercial discovery was made at Barrow, its 95th well. By the end of 1966 the company's total expenditure was about $80,000,000. This legislation will, of course, have a great effect on a very large industry that spends an immense amount of money yearly in searching for oil. The finding of gas and oil in Queensland, the discovery of huge gas and oil reserves at Mereenie, the important discoveries in South Australia at Moomba and Gidgealpa, the discoveries north of Perth and at Barrow Island, the Victorian offshore discoveries, and what we hope will be the discovery of fields off the South Australian coast, have led to an increased interest by Governments and to the necessity to review this legislation.

It is obviously a matter of concern to the companies to know the details of the legislation under which they operate and the effect it will have on their operations. It is hardly for me as a layman to criticize the provisions of the Bill as they affect the exploration and production companies. Although I assume that the companies approve the Bill not only in principle but also in detail, I wonder how much of the detail they have seen.

The Hon. D. A. Dunstan: They've seen all of it.

Mr. HALL: I am pleased to hear that. From the number of exploration licences that exist in South Australia, I believe there is no lack of interest at least in taking up these areas. Under this Bill it will certainly be necessary for the companies to get busy with exploratory work. Although the Premier has forecast the introduction of offshore boundaries legislation, it will be interesting to see when it is introduced, no reference having been made to it in this Bill. In the publication issued by the Oil Exploration Petroleum Information Bureau (Australia) appears the following reference to the offshore situation:

In November 1965 the Commonwealth Minister for National Development announced in the House of Representatives that the Commonwealth and State Governments had reached agreement on a system of joint legislation to control and safeguard the exploration for and the exploitation of the petroleum resources in Australian offshore areas both on the territorial sea bed and on the Continental Shelf. The States will administer the legislation and collect all rents and fees. Granting of titles will be subject to approval by the Federal Government. Royalties will be divided on a 50/50 basis between the Commonwealth Government and the adjacent State.

Some aspects of the proposed legislation have evoked sharp criticism from Australian and international exploration companies. In general, the industry feels that the legislation is too restrictive. It points out that Australia is still an unproved area and therefore legislation should be framed so as to attract rather than inhibit the vast amounts of risk capital needed for offshore wildcatting. Australia has to compete for capital and rigs with offshore areas around the world, many of which are proven and situated close to large markets. Following representations made by the industry, the Minister for National Development announced on June 30, 1966, some modifications to the proposed legislation.

Representations made by the companies themselves may have delayed the introduction of that legislation in the respective Parliaments and yet it seems a rather long period when one considers that the announcement that agreement had been reached was made in 1965.

The Hon. D. A. Dunstan: Final agreement was not reached until earlier this year and we had to achieve not only general agreement but also a common code for the whole of Australia. That took a great deal of drafting.

Mr. HALL: I imagine it did. This legislation will indeed be important albeit complicated. The Bill relates mainly to types of licence, the setting up of a petroleum advisory committee and the provision of licences for the establishment and planning of routes of pipelines, etc. As the Premier has said, the Bill's provisions extend to the control of other gases and minerals, such as nitrogen and helium that may be found when drilling for oil, and the Minister may decide a royalty in respect of a particular gas or mineral. I am interested in the provision contained in

clause 5 to the effect that any gas or petroleum products returned to the ground become the property of the Crown. Although I am not sure of the technical reason for that provision, I suppose that it relates to assessing production and provides a means of knowing exactly where one stands at any particular time in regard to ownership. I have read that in some States of Amercia gas is stored in underground reservoirs close to the market.

The Hon. G. G. Pearson: That is done to a great extent. Los Angeles provides one such store.

Mr. HALL: That confirms what I have read about gas being piped for some distance and stored underground. That method could not be possible here unless perhaps the Minister were to forgo his right to ownership once the gas had been stored underground. I am sure that, if a difficulty in this respect ever arose in the future, Parliament would introduce amending legislation accordingly. Emphasis is placed in the Bill on continuing rights during the transitional period prior to new licences coming into effect, and special provision is made concerning Delhi-Santos. I see no objection to such provision: that organization which has, after all, been closely and successfully associated with exploration in South Australia should not be penalized in any way.

The area of petroleum exploration licences is fixed for the first time, I believe, in South Australia at 10,000 square miles, and from the comparisons made with permits existing elsewhere I believe this to be a reasonable area. The provision requiring a certain sum to be spent in exploratory work seems also to be reasonable. The expenditure grows greater on a square mile basis as the age of the leases increases. It is $20 a square mile for the first two years and $30 a square mile for the next three years of a five-year exploration lease. This figure grows considerably with renewals: it is $40 a square mile on the first renewal, $50 on the second renewal, and $60 on the third renewal. I am sure that by the time this latter stage has been reached the companies must believe they are close to a significant find. The royalty of 10 per cent is the same as that provided in the original legislation. Of course, notification of the shifting of the location of wells must be given to the Minister.

One alteration about which I should like to question the Premier in the Committee stage is the reduction from 14 days to 24 hours in the notice for the shifting of the location of a well. There must be a good reason for this drastic reduction. Significant regulations may be made under new section 80a for the prevention of waste. The advisory committee set up under new section 80r is a new facet, and I believe that the composition of the committee should be defined more specifically. There appears to be no set category of person who may be appointed to this committee. I would have expected the Director of Mines to be a member, but new section 80r (3) provides:

A person who holds any office in the department or who has any direct or indirect interest in any licence granted, applied for or in force under this Act shall not be a member of the committee.

I realize that the Minister need not accept the committee's recommendation, but I should like further explanation about the committee's powers. Any person may be required to produce any books, maps, plans, papers and documents in his possession or power relating to any matter before the committee. This is a very wide power. I wonder whether the committee should know all the business details of an exploration company. I should like to know why the power must be so wide and why it is not limited to the physical side of exploration.

As yet no legislation has been placed before Parliament concerning offshore boundaries. I notice in the publication I have mentioned a clear definition: the boundary has been clearly defined for the purpose of exploration licences as the straight extension seawards of the land boundary between Victoria and South Australia. It now seems that we will have to notify Victoria that it can have some parts, under the agreement entered into between South Australia and Victoria. I hope legislation dealing with boundaries will be introduced this session.

The Hon. D. A. Dunstan: It will be.

Mr. HALL: I accept the Premier's statement. I hope and believe that this Bill will work out in practice. We have been assured that the companies have been notified. It will be surprising if some faults are not found in this legislation because it deals with an industry that is rapidly changing in its needs and in its impact on the community. It is possible that we may have to amend this legislation every year. I support the Bill.

Mr. RODDA (Victoria): This is probably the most important measure that this House will consider this session. We have seen the effects that high costs have had on our primary industries. We can see from the map referred to by the Leader that a large portion

of Australia has been licensed to various undertakings that are prepared to put up huge amounts of risk capital in order to search for oil and other minerals. It is interesting to note that $289,000,000 was expended during 1964, and $340,000,000 during 1965. This highlights the optimism with which people engage in oil search projects.

The two States where the emphasis is placed on exploration are Queensland and Western Australia. However, 371,000 square miles are already licensed in this State. Delhi-Santos has 176,000 square miles in two licences. Drilling has taken place in my district and in nearby districts. Of course, we are very interested in seeing the results achieved by the *Ocean Digger,* which is operating near Robe. However, we are not considering off-shore drilling in this Bill.

Although not all bores are successful, they tell a story. The core is brought out and examined by geologists, and we obtain valuable information on minerals that are valuable in establishing and expanding industries in this State. One can see what is happening in Western Australia and what has taken place in Queensland. The enterprise at Gidgealpa and the discovery of carbon dioxide in the hundred of Caroline created an upsurge in South Australia's output. The Leader dealt with the sedimentary basins and the physical set-up of the underground structure that people encounter in searching for oil, but I do not wish to delay the House by reiterating that. I was interested to see that the Bill provides that Delhi-Santos is not to come within the ambit of the legislation. Doubtless, there are good reasons for that.

Mr. Coumbe: There are special provisions.

Mr. RODDA: I am indebted to the honourable member for that information. Licences will be reduced in size, and I understand the need for this: some of these are extensive areas that should be developed. With the reduction in area, an enterprise can make use of the valuable mineral resources. I was also interested in a minor provision in the Bill that the casings of bores sunk can be left and the water can be used. This could prove expensive, but it fills an important need. I have seen where bores revealed in the South have been destroyed when no longer required. The costs associated with such bores could be beyond the reach of anyone wanting to use them. It is therefore wise to include that provision.

The Bill contains many provisions to which the Leader has referred. The powers of the committee are wide. There are probably good reasons for that, and I shall be interested to hear the Premier give the reasons when he replies. I am only a layman and not qualified to orate on all the provisions of the Bill but it seems to me that the licences meet the present day need. This is an important phase of the State's development and, having examined the Bill, I have much pleasure in supporting it.

Mr. COUMBE (Torrens): I strongly support the Bill. Many members have been looking forward to it for some time. It is most necessary that it should be introduced and placed on our Statute Book as smartly as possible. I agree, as has been said, that it is an important Bill. However, I doubt whether all members realize its full importance and scope. I doubt whether all members have studied all its clauses, because it is highly technical and contains great detail. Of course, it is essentially a Committee Bill. It does one or two important things. First, it modernizes the old Act and brings it up to date with modern practice. I was interested to hear the Premier say, when introducing the Bill, that the old Act that was promulgated in 1940 has been held up as a model in the industry and in other States for 27 years. I was pleased to hear that. The problem with legislation of this type is to safeguard the natural resources of the State from wasteful exploitation and, on the other hand, not to place any stumbling block in the path of any company willing to risk capital. It is indeed a considerable capital investment, as we have seen from the exploration that has taken place in Australia. This legislation fills both of these criteria: it safeguards the State's assets but does not unduly hinder people who are willing to risk capital in searching for oil, or petroleum as it is described in the Bill.

The discovery of oil in South Australia is far more important than the discovery of natural gas, even though the natural gas, in itself, is of great importance. However, oil is of prime importance and that is why the strike off the Gippsland coast is of such importance to Victoria and Australia as a whole. In considering this type of legislation, we must encourage search and development, assist the harvesting of our mineral and oil deposits and provide adequate safeguards. I hope this Bill conforms to the common code arrived at after discussion not only with the oil industry but with the other States of Australia, because

this industry works on a national basis and in many cases the search areas indicated on the map produced appear to go across State borders. The reservoirs of oil and gas are no respecters of State boundaries. Perhaps the Premier will indicate whether this is in conformity with the common code that has been evolved to operate throughout Australia. If it is not, I believe it should be, although perhaps some peculiar provisions might have to be written in to suit South Australia. I did not catch the comment on whether offshore boundaries are dealt with in this Bill or whether they will be dealt with in a separate Bill.

The Hon. D. A. Dunstan: They will be dealt with in a separate Bill.

Mr. COUMBE: Three types of licence that replace the existing licences are provided for here: the petroleum exploration licence, the petroleum production licence and the pipeline licence. This appears to be along the lines proposed in the United States of America and Canada where legislation controls all these types of operation. That applies particularly in the United States of America, where licensees operate under the federal power authority. I should like to know whether the Natural Gas Pipelines Authority set up under other legislation will have to procure a pipeline licence. I know that other operators will have to get such a licence. The way in which the Petroleum Advisory Committee is being established is interesting. I understand that an authority of this kind has not been in operation in this State previously, but I am not sure about the position in other States. The committee will be able to advise the Minister, but the Minister will not be bound to accept any recommendations made. The powers of the committee, as set out in new section 80v, are wide and include power to summon people and to examine books and other documents. I suppose that power is necessary to enable the committee to advise the Minister about acts of omission or commission by operators.

There is also power to enter upon land, and it will be an offence to wilfully insult the committee or any member of it or to misbehave before the committee, yet the Minister is not to be bound by recommendations made. I should like the Minister to explain this provision. It seems that the Minister will have the last say and that the committee will be used merely as an advisory authority, whereas in other legislation the Minister is bound in relation to recommendations made. The committee is to comprise three members, one of whom shall be chairman. These members are to be appointed by the Governor, and I agree with the provision that members cannot be officers of the Mines Department, because new section 80t(3) provides that the Director of Mines may give evidence before the committee and officers of the department should not sit on the committee in those circumstances.

It is also provided that no-one with a direct or indirect interest in a licence may be a member of the committee, and I think this provision will make it difficult to select competent members. The only type of person eligible for membership who would have the necessary qualifications would be a consulting engineer, consulting geologist, surveyor, university professor, or other such person, because a practical man would probably have an interest in a licence granted under the Bill.

However, these matters can be discussed in Committee. The Bill has interesting facets and a wealth of detail about how the waste is to be conserved and preserved, the payment of royalties and fees, how the various licences will be operated, applied for and revoked, and about the powers of the Minister. We have awaited the Bill for a long time, and I am sure the Minister will give more detail on the matters that have been raised.

Mr. CASEY (Frome): I add my support to this Bill, which is probably one of the most important measures introduced this session. The gas pipeline from my district to the metropolitan area will become a reality in 1969 as a result of the provisions in this Bill. I compliment the Premier on his comprehensive explanation. Particular clauses have much significance for the petroleum industry in this State. It is interesting to note that we are abandoning terms such as "mining" and "oil" and are adopting words that have more common usage such as "petroleum". After all, as the member for Torrens (Mr. Coumbe) has said, the companies drilling in Australia for petroleum are not concerned about natural gas as much as about finding oil, or black gold, as it is sometimes called.

New section 15 provides that the area comprised in a petroleum exploration licence shall not exceed 10,000 square miles and fixes the term of a petroleum exploration licence at five years. Of course, licences may be renewed at the end of five years subject to the terms set out, and upon each renewal of a licence a reduction shall be made in relation to the area covered by the licence. New section 18c (2)

provides that, except with the approval of the Minister, no person shall dispose of any petroleum recovered from any land comprised in a petroleum exploration licence until a petroleum production licence has been obtained in respect of the land. Although the form of the drafting of this Bill is rather complicated, the second reading explanation is to the point.

Exploration companies that have drilled to great depths and discovered vast quantities of water are to be compensated. The Pandieburra bore in the Far North was drilled by Delhi-Santos but proved dry as far as oil or gas was concerned. However, it is functioning today as a good artesian bore for the benefit of the pastoral area. Previously no compensation was payable to mining companies that left bore casings in bores so that the bores would be effective sources of water supply. If the casing is removed the bores are likely to cave in, and the companies will now be entitled to compensation if it is desired that the casing be left so that the bore can be used as a water supply.

New section 27b refers to the licensee who has discovered petroleum of economic quantity and quality but who fails to bring it into production within a reasonable time. It provides that the Minister may serve notice on the licensee and, if he fails to apply for a petroleum production licence within 12 months of the service of this order or such longer time as the Minister may stipulate, the Minister may excise from the area comprised in the petroleum licence the area of the field in which petroleum has been discovered, and grant to any person a petroleum production licence in respect of the field. Clause 18 applies to the present Gidgealpa-Moomba area where, under the old Act, separate licences would have been necessary for each field but now the Minister is empowered to grant a single licence in respect of this area.

The Petroleum Advisory Committee will act as an advisory committee to the Minister, although he is not bound to act on its recommendations. This is a wise provision, because instances have occurred in the past where Select Committees have been appointed and have had more power than that of the Minister. I believe that this committee should act as a type of court to which evidence is produced by people who may disapprove of the recommendations. There will be no difficulty in choosing suitable persons to act on the committee. This legislation will be the forerunner of legislation in other States, because it covers every aspect of the petroleum industry today. Naturally, amendments will be made later, but the petroleum industry made recommendations which, I am sure, are contained in this Bill.

Mr. SHANNON (Onkaparinga): Delhi-Santos has control of a large area of the State in which it can continue to prospect. This company found natural gas in this State, and a tremendous boost will be given to South Australian industry by this discovery. However, the company holds about 170,000 square miles of territory running across the State from New South Wales to Western Australia and down Eyre Peninsula, and more information should be available why the company's licence is to be excluded from these provisions. Other companies may have prospected without luck, but Delhi-Santos cannot prospect over the whole of this huge area. If we have been assured that this company intended to prospect thoroughly all the area within a reasonable time (and that might be difficult) we should be told about it.

Obviously, we should encourage prospecting in this State, but this legislation will discourage it in this particular field. This company has a payable flow of gas and has an agreement with the Government to sell its products in the available markets. These are valuable concessions, although the State will reap the benefit. If the State Government had not secured the necessary finance to build a pipeline and had not pursued the opportunities to use the natural gas in the metropolitan area, Delhi-Santos would be sitting on a Christmas egg that it could never crack. The State has given valuable assistance to this company but, by excluding its area from more intensive prospecting, we are not acting in the State's best interests. Further discoveries of oil will boost the economy of the State and, according to the geological explanation, some relationship exists in the structure of the earth's crusts to the discovery of gas and oil.

We must continue to prospect for both of these natural assets as energetically as possible. As the member for Torrens has pointed out, the Bill is a highly technical one. Some of its features are beyond my comprehension, so I do not intend to argue them. It is sufficient that the Leader of the Opposition has requested further information on certain of the powers of the committee. One point I should like information on is whether we will not be tying up a large area where it might be in the State's interest to do some more intensive searching.

The Hon. G. G. PEARSON (Flinders): I think all members agree that the member for Torrens put his finger on the crux of the matter when he said that the problem confronting the Government in legislation of this kind was to draw a nice balance between encouragement and control, but I believe there is room for negotiation and consideration on both sides. The member for Onkaparinga has suggested one problem in this field. In this State there are substantial areas of sedimentary basins that offer varying degrees of attractions from the prospecting point of view, but we have only really begun to scratch the surface of the possibilities that could exist. However, the Government cannot afford to discourage the investment of capital in prospecting. After all, on many counts, both direct and indirect, both the State and the Commonwealth stand to gain if prospecting is succesful.

Therefore, we should begin by accepting the fact that we must offer even greater encouragement to exploration in the future than we might have offered in the past. To this extent the Bill relaxes and modernizes, in a form acceptable to the people involved in the industry, some of the provisions of the Act. On the other hand, I could not agree more than I do with the member for Onkaparinga when he suggests that we might look at the scope of leases granted to see whether they lie within the financial compass of the licensee to effectively explore the area that has been granted him. I know that when the licences were granted the licensees set out to explore certain parts that were geologically attractive and they proceeded to work in those areas. After all, the areas that have been explored are only a fraction of the areas in respect of which licences have been issued. Further, I think it has now become accepted that surface geology is not necessarily a final answer to the structure that may lie at depth. It is accepted that the dome structure is usually the most promising geological structure in which to prospect for petroleum products, but this does not mean that these are the only areas that offer reasonable prospects.

Indeed, it has become an established fact now more than ever before that oil is where you find it, and it may well be that a closer examination of areas which, on the surface, appear geologically unattractive may well prove worth while. It is also a fact that in the history of prospecting for oil around the world the prospecting companies are, by and large, prepared to spend much money on drilling many holes in order to prove the potential of a field. A ratio of the average number of dry holes to the average number of producing holes in various parts of the world has been quoted. I consider that, in this State in particular, prospectors have been singularly fortunate in the results they have obtained from the number of holes drilled, by comparison with world standards.

Mr. Shannon: If that's a measuring stick, the State has a great potential.

The Hon. G. G. PEARSON: That is the point I am proceeding to now. Although I approve of offering every inducement to people to invest and to work in this field, I believe we should consider that, on the law of averages and without being discouraged, they should bore many more holes than they have bored hitherto. We are on the right track in having the right to require a certain level of activity on the part of companies that hold leases, and we will also have every right to expect them to prospect in more detail than they have been prepared to do up to the present. The ability of a company to carry on operations is governed by the amount of capital it can attract, but we in Australia have not developed that degree of awareness to possibilities in this investment field that has been developed in other parts of the world because we are, generally speaking, conservative people where the risking of money is concerned.

On the other hand, we have yet to overcome a complex which I still believe exists in Australia: that oil is not easily found here. This complex, in competition with more definite prospects of dividends from investments, also operates against the flow of investment capital into companies prospecting in this field. In all the fields of mining and mineral exploration we probably need to adopt a more far-sighted attitude than the one we adopted earlier. To the extent that the Bill removes some of the provisions of the 1940 Act that could be held to be rather petty, irksome and inhibitive to the people prepared to engage in this field, I support the Bill. It will require a nice degree of judgment on the part of the Minister to determine when he should be firm and when he should be generous, and the exercise of that judgment is most important for the welfare of the State. I notice that the Bill is tackling the difficult and intricate problem of defining the rights of two adjoining lessees where their fields are contiguous and where, in the event that it is a producing field, the rights of such lessees must be determined.

Countries of the world where petroleum has been in production for a number of years have found this an extremely difficult problem. It is well known that under modern drilling techniques the hole does not necessarily have to be straight: it can go at all sorts of acute angles. In American fields in particular, companies have been known to start drilling in the surface of their own areas, extending holes into a neighbour's property and proceeding to extract oil from his area. I forecast that the implementation of these provisions will certainly not be easy. I notice that the Bill provides that persons obtaining a licence for a pipeline are expected to negotiate with landholders for the necessary easements, and so on, that they require. The terminology used by the Premier was "in acquiring land for the purposes of a pipeline". I envisage that the position will arise (as, indeed, it arises overseas) in which pipelines traversing the earth in all directions and for great distances pass through and under valuable agricultural and pastoral land.

The general scheme of things seems to be that in a producing field it is necessary to drill a number of wells and to connect them all up by means of a system of pipelines leading to a central point from which a major pipeline leads off to a point of shipment or refinement. One sees in the central south of Canada and in western parts of the United States the well heads pumping away with their slow, regular and rather graceful stroke, bringing oil into the pipeline and pumping it along to a central storage tank. Looking from the window of a train going across Canada one morning, I was interested to see a series of oil wells in the middle of a wheat paddock, and the area occupied by the pump at the well head was probably only half the size of this Chamber. The owner of the paddock had reaped his crop right up to and around the well head.

A gentleman with whom I discussed this matter in the Canadian House of Commons told me that he was the fortunate owner of one such property and that he regarded the flow of oil from the property as being a good sideline to his agricultural production. I also saw wells pumping on the roadside and within the road area itself near Los Angeles. The bitumen road passes within a few feet of a well that is pumping continuously. All these well heads are, of course, connected by pipelines, but one does not see the pipes, for they are underneath the surface and out of the way as, indeed, I think they must be, bearing in mind the nature of the product. As there is no need to alienate permanently from its normal use the land over the pipeline, I hope that licensees, where these pipelines pass through valuable agricultural or pastoral land, will not be required to alienate the land from production but that certain rights of access will exist in the case of need.

Pipes should be laid in such a way that the area is not unduly disturbed, so that it can be resumed for production once the pipeline is laid and placed well out of the way. Indeed, that is the practice overseas in this regard. For that reason, I think it is desirable to provide that the pipeline authority, on being granted a licence, should be required to allow the original owner of a property to continue his production in so far as it is compatible with the needs of the owner of a pipeline. Necessary provisions are also contained in the Bill in regard to the safety and proper construction of a pipeline. The safety factor in this regard is vitally important; pressures are high, and the necessity for having proper materials and properly welded joints is of paramount importance.

I have a photograph of a gas pipeline that failed under stress, with catastrophic results. The pipeline ruptured longitudinally for a distance of about six miles, and the force of the explosion was such that huge pipes were ripped out of the ground and scattered over the adjoining area. The aerial photograph shows a most dramatic and rather tragic result. That incident occurred in a country, which has had long experience of pipeline construction and in which a stringent code has been laid down for the types and strength of materials, reserve strengths, and so on. Although stringent provisions exist regarding construction and welding, etc., serious accidents can happen.

It is necessary that the codes that have been laid down in other countries should be studied, understood and accepted and that the standards set should be not less exacting than those found by experience in other parts of the world to be necessary. With the development of special metals and special grades of steel for the construction of pipelines, well diameters have been progressively reduced. For safety in construction, methods must be constantly revised and kept up to date in the light of new discoveries.

Of course, with better steel and therefore lesser quantities used, pipelines can be laid more economically despite the increased costs. Proper attention must be given to these factors. The member for Frome referred (quite naturally, because it is important in his area) to the preservation of a bore, which is drilled for

oil or gas purposes but which produces water and nothing else. I notice that a person can be required to leave his casing in the ground, that he can be paid some compensation for doing so, and that the water is to be available for general use. I wonder who is to pay the compensation.

Complications may arise. For example, in a pastoral property a bore may produce water but it may be so close to an existing water supply that the owner does not see any value in it. On the other hand, a bore may be in an area remote from any source of water supply and, consequently, may be extremely valuable. Is the lessee to be required to meet the cost of compensation? If he is not, who is to be so required? This is not laid down in the legislation, but I think somebody ought to know just what the Government has in mind. This will involve problems, because one producing bore may be extremely valuable and another, which has cost the company just as much, may not have the same value. I think that advice from the Pastoral Board in regard to this matter would be invaluable.

I commend the Government for introducing the Bill. I sometimes wonder whether the Treasury is extracting too much in the way of royalties. I appreciate that the State, because it owns the mineral rights in most of the State, is entitled to receive some benefit in this direct form from the discovery of valuable minerals, in this case, petroleum products. However, I point out that where oil or gas is discovered at a point remote from the point of consumption, the refinery or the seaboard, its value at the well head may be extremely low.

The owners of the oil discovered at Roma were unable to sell it to the refineries in competition with imported crude, and this matter became a delicate problem for the Commonwealth Minister to decide. I understand it was resolved because the Commonwealth Government quite properly believed that this field should be commercially exploited and that the oil should be used to avoid using oversea exchange, thereby assisting the balance of payments. Agreement was eventually reached that the Roma oil should be used in the Brisbane refinery and that the cost over and above the landed cost of similar crudes was to be shared by Australian oil importers generally.

The owners of the Roma oil were paid something above the world parity price as a result of loading the imports from overseas to a small extent. This indicates that when one strikes oil it is not altogether a financial bonanza, because of the cost of transportation and the present very low cost of competing crudes on the world's markets. Another problem was highlighted during the recent Middle East war, when we suddenly found difficulty in transporting oil from Middle East countries to the points of consumption and refining. This highlights the value of having oil within our own control and adjacent to the point of consumption.

This is a good Bill because it endeavours to improve the situation. It will require a nice degree of administration by the Minister concerned, and it is well that there is an advisory committee to assist him. Members on this side of the House have raised several matters on which they desire explanation when the Premier closes this debate or during the Committee stage.

The Hon. Sir THOMAS PLAYFORD (Gumeracha): I believe this legislation is extremely important and I support it. It is designed to improve probably the first petroleum legislation that was introduced in Australia, which was passed by this House in 1940 and which led other States and the Commonwealth to adopt similar legislation. Also, it indirectly led to an impetus being given to petroleum search in Australia.

However, I must say that circumstances are different now. At that time there was a great doubt as to whether worthwhile petroleum products of any sort existed in Australia, and it became necessary to give large areas for exploration. It was not possible to extract from the exploration companies large amounts of surety for the work they were to do. Queensland was in a slightly better position than South Australia in this respect, because gas flows had occurred at Roma over several years. More companies were operating in Queensland than in South Australia, and this speeded up development there. Also, Queensland did not have such large areas. South Australia had to give large areas to exploration companies because it was otherwise impossible to get them to provide the necessary money. We had to give important concessions to exploration companies in order to interest them in this State.

There are one or two points that I am uncertain about and which I should like the Minister to explain. I do not suggest for one moment that the Government should not honour the covenants that have been made by the Minister of Mines over a period of years. Any covenant he has made should be fully

honoured, and I do not suggest for one moment that those covenants should in any way be curtailed as a result of the new legislation. On the other hand, I do not believe the new legislation should automatically expand any provisions that would take away from the Minister the full right to deal with any matter outside of the covenant in exactly the same way as if it was a new matter. I am not quite sure of the purpose or implication of the words "or thereafter" contained in new section 4a (3), paragraph (*a*) of which provides:

The area comprised in the petroleum exploration licence shall not, during the period of the convenant or thereafter, be reduced by virtue of subsection (1) of section 15 of this Act.

What is the significance of those words? Do they mean that the covenant is to be expanded in some way? Paragraph (*f*) provides:

Upon the simultaneous expiry of the licence and the period of the covenant, the licensee may apply for the renewal of the licence and such renewal shall, subject to subsection (1) of section 18a of this Act, be granted and, upon that renewal, the area comprised in the licence shall not be reduced by virtue of section 18a of this Act but the provisions of sections 17, 18a and 18b of this Act shall apply thereafter in all respects as if that renewal were the grant of a petroleum exploration licence for an initial term under this Act.

Although I may be wrong (if I am the Premier can tell me), that appears to me to automatically extend the rights of a company beyond the period of the covenant it may at present have. There is no justification for that, if that is the position. I believe we should honour the covenants we have made to the fullest extent possible. I do not believe we should, under the provisions of this Act, increase the restriction upon the Minister to take such action as to apply the legislation in its usual way after the covenants have been satisfied. When they have been satisfied we have fully carried out our obligations. Circumstances obliged the Government previously to make handsome concessions to companies so as to enable them to make initial expenditure and to create interest.

I do not oppose the Bill, because it will be an improvement on the present legislation which has been so successful. I believe the oil companies, or any licensees under this Act, should pay an appropriate amount to the revenues of the State because, after all, the assets of the State are being sold. There is no reason why such royalties should not be paid to the Treasurer. I do not propose to hold up the Bill, but I would like the Premier, when replying, to touch on the significance of the words "or thereafter" and, more particularly, to say what is the significance of the words in paragraph (*f*). It appears to be mandatory upon the Minister to give a further extension beyond the terms of the covenant which were a feature of the start of oil exploration in this State. I support the second reading.

The Hon. D. A. DUNSTAN (Premier and Treasurer): There are basically two matters calling for comment at this stage which have been raised by honourable members opposite. The first relates to the Petroleum Advisory Committee. This was inserted in the Act in response to comments and observations by the industry. It was thought by the industry committee, to which a draft of the proposed amendments were shown, that the fairly wide and necessary powers given to the Minister under the Act, particularly in respect of conservation, could lead to hardship in particular circumstances. I draw honourable members' attention to the fact that it is not uncommon in Australian legislation in this field to give discretionary powers to a Minister. In the U.S.A. and in Canada it is by no means common to do so. There, the rights of the exploring companies are not subject to Ministerial discretion in the same way as it is the usual course for them to be in Australia.

The Hon. G. G. Pearson: The whole circumstances are different.

The Hon. D. A. DUNSTAN: They are. Of course, with people who are coming to the different circumstances of this country and who are from the havens of rugged free enterprise and individualism, a certain uneasiness is sometimes felt about Ministerial discretions. We wanted to resolve those difficulties, and one of the ways in which it was easy to do so was to say, "You point to a case where a Ministerial discretion has been used unfairly in relation to any company in this field." Of course, no such case could be pointed to. In addition, it was thought that some safeguards such as we suggested should be written in. The committee considered that an independent tribunal should be available and, with some modifications of the proposal, the proposals in the Bill meet the suggestions of the industry committee.

The Hon. Sir Thomas Playford: The advisory committee is still only an advisory committee.

The Hon. D. A. DUNSTAN: It is. It is not an appeal committee that can override the Minister. At any rate, it does provide a tribunal to which one can go to put one's case to be investigated independently, so that advice is then given to the Minister by other than public servants in the department.

The Hon G. G. Pearson: Will it be a qualified committee?

The Hon. D. A. DUNSTAN: Yes. While the committee will be advisory, it will still exercise some judicial function and it has to be able to investigate the particular case concerned, get documents from the department and get witnesses concerned with a particular case. The powers are written in to enable the committee to act judicially, even though it is an advisory committee, and this has been agreed with the industry committee as a sensible basis of operation and to allay fears about the exercise of Ministerial direction without any form of appeal.

The second matter to which honourable members have referred is the provision to cover the position of the covenant with Delhi-Santos. I know something about this but I think honourable members will want more detailed information than I have immediately available to me this evening. In consequence, I shall get a complete report from the Minister of Mines in order to give honourable members a full explanation in Committee.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 11.3 p.m. the House adjourned until Thursday, October 5, at 2 p.m.