HOUSE OF ASSEMBLY

Wednesday, October 17, 1973

The SPEAKER (Hon. J. R. Ryan) took the Chair at 2 p.m. and read prayers.

ELECTORAL ACT AMENDMENT BILL (COMMISSIONER)

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

PETITIONS: CASINO

Mrs. BYRNE presented a petition signed by five persons who expressed concern at the probable harmful impact of a casino on the community at large and prayed that the House of Assembly would not permit a casino to be established in South Australia.

Mr. KENEALLY presented a similar petition signed by 80 persons.

Dr. TONKIN presented a similar petition signed by 99 persons.

Mr. PAYNE presented a similar petition signed by 10 persons.

The Hon. D. J. HOPGOOD presented a similar petition signed by 35 persons.

Mr. HARRISON presented a similar petition signed by 99 persons.

The Hon. L. J. KING presented a similar petition signed by 36 persons.

Mr. MAX BROWN presented a similar petition signed by 34 persons.

Petitions received.

QUESTIONS

INFLATION

Dr. EASTICK: Will the Premier initiate a top-level Government inquiry into the effect on the worsening inflationary crisis of continuing wage claims in a period of full employment? I understand from a press report today that the Premier has called for an investigation by the Commissioner for Prices and Consumer Affairs into the spiralling costs of house building in this State. Neither I nor anyone else can over-stress the situation that exists in the building industry today, bearing in mind that the cost of building a house has increased by more than 16 per cent in the past 12 months. I trust that the Premier, in asking the Commissioner to look into this situation, will not suggest that even further repressive action may be taken against this vital industry than the measures that the Government is trying to inflict on the industry through current legislation.

The Opposition has said time and time again that one of the major factors contributing to spiralling prices is the never-ending stream of wage claims, whereby employers are forced to increase prices in a bid to meet increased production costs inflicted on them. Added to this, in a situation of full employment, I am constantly hearing (and I believe other members of this House are hearing) reports that in order to obtain employees, employers virtually have to accept every employee demand made of them in order to retain employees. For example, one major company has advertised (this is not hearsay; I am referring to an actual advertisement) not only above-award payments and other incentive bonuses but also an attendance fee payment, which is money paid to a person just for his turning up for work. This reflects the serious concern felt by many employers at the level of absenteeism. I ask the Premier whether, as a matter of urgency, he will institute the top-level Government inquiry for which I have asked and have the inquiry particularly determine what effect the situation of full employment is having on absenteeism amongst semi-skilled and unskilled workers.

The Hon. D. A. DUNSTAN: I have no intention of asking the Commissioner for Prices and Consumer Affairs to make recommendations concerning wage demands in a period of full employment. I can appreciate the Leader's opposition to a continuance of full employment.

Dr. Eastick: Come back to the point.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I was at the Premiers' Conference when the Commonwealth Leaders of his Party clearly indicated that they intended to induce unemployment in Australia (as they did) on the basis that is was an anti-inflationary measure.

Mr. Millhouse: Who did and when?

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The honourable member obviously has not remembered.

Mr. Millhouse: Tell us.

The SPEAKER: Order!

Mr. Millhouse: You made the accusation: back it up.

The SPEAKER: Order!

Mr. Millhouse: You aren't going to.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I am waiting for the honourable member to be silent so that I can say what was the basis of this. If the honourable member will remain silent for a few moments (I realize that is difficult for him to do), I will tell him. It was when Mr. Gorton was in office, at the Premiers' Conference in 1970.

Mr. Millhouse: What did he say?

The Hon. D. A. DUNSTAN: He specifically directed a policy on the part of this State to induce unemployment, to transfer employment, so he said, from the public sector to the private sector to reduce wage demands from an over-full employment situation.

Mr. Millhouse: What was that?

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: This State alone (the only Labor-governed State at that time) refused to agree to Mr. Gorton's demands. Of course, that was not the case in States such as New South Wales or in Sir Henry Bolte's State, nor was it the case in Queensland, which cut back its recruitment of teachers and nurses to an extent that has produced the disgraceful situation in education and health in that State. That certainly has been the attitude of Liberal Governments in Australia: that they will oppose full employment, using unemployment as an anti-inflationary device. We do not intend to support that attitude.

Dr. Eastick: No Liberal Government has had 13 per cent inflation.

The SPEAKER: Order! Honourable members are fully conversant with the requirements of this House with regard to Question Time. An honourable member is entitled to ask one question, and the reply will not be permitted to turn into a debate. The honourable Premier.

The Hon. D. A. DUNSTAN: Thank you, Mr. Speaker. I point out to the Leader that I listened in silence to him make a whole series of provocative statements, and 1 expect him to give me the courtesy that I gave him. The Commissioner for Prices and Consumer Affairs in South Australia is able to investigate the prices of goods and services. He will be asked to do this in proper cases. In the case of wage demands, I point out to the Leader that, with considerable increases in prices, and without any

adequate national system of prices justification, it is most difficult to say to workers, who have to justify their demands for wage increases publicly, that they should justify increases in the price of what they sell (their labour), but that it is not necessary for the majority of people in this country to justify the prices they charge people for goods and services. Indeed, we have heard members opposite suggest that it is an enormity, a dictatorship, and disgraceful that people who give a service to the public should be required to justify the price they charge for it. Let us get it clear all round: if wage earners have to justify the price of what they sell publicly, so should other people be required to justify the price of what they sell publicly; that is, their goods or services. If the Leader were to support that publicly, he would be doing a public service to this State and to Australia.

FIRE PROTECTION

Mr. LANGLEY: Will the Minister of Works ask the Minister of Agriculture whether he intends by television, press advertising, car stickers and other means to alert the public to the fire dangers that will apply this summer? Over several years a most successful campaign has been carried out in this regard, and the people of South Australia have been most co-operative. However, reports already indicate that there will be extreme fire danger this summer.

The Hon. J. D. CORCORAN: I shall be happy to ask my colleague to tell the member for Unley and other members what steps are to be taken this summer to minimize the fire risk in this State. As the honourable member has pointed out, in the past every step possible has been taken, and I do not doubt that this attitude will again obtain in the future, but I will obtain a full report from my colleague and let the honourable member know.

PREMIERS' CONFERENCE

Mr. COUMBE: Will the Premier say whether it is a fact that the Premiers' Conference held last week concerning local government finance was not successful? Is it a fact that the Premier, together with the Premiers from the Eastern States, disagreed with the proposals advanced by the Prime Minister and could not accept views put forward by and on behalf of the Commonwealth Government? Will the Premier now say what those proposals were, and what were the areas of disagreement?

The Hon. D. A. DUNSTAN: The suggestion by the Prime Minister was that the agreement under section 105A of the Commonwealth Constitution should be altered to provide for one local government representative from every State to sit as a member of the Loan Council. After discussing the basis of this, the Prime Minister suggested that such representatives should sit in the Loan Council for the purpose of taking part in all discussions, while at the same time being limited in any vote in the Loan Council to matters specifically concerning local government. It is Labor Party policy that local government representatives should be able to join Loan Council, but that has never been spelt out in respect of the conditions under which that should take place, and I inquired as to those conditions. The problem I put to the Prime Minister was that, at present, loan raisings at the governmental bond interest rate are insufficient to cover the approved Loan programmes of the States and that the total amount of those programmes is therefore supported from Commonwealth revenue.

I wanted an agreement, if this change were to be made and local government were to get access to the Loan Council (presumably to be able to get some of the money at governmental interest rates rather than at semi-governmental interest rates), that there should be no reduction in the basis on which moneys were at present allotted to the States in the Loan Council, because there was not to be any transfer to local government of financial responsibilities at present discharged by State Governments. The Prime Minister then told me that he could not give any such assurance, and he would not alter the agreement in that way. Although he expected that there would be a larger cake, he considered that, whatever the size of the cake, local government would get a larger share than was presently available to it from State Government support. In those circumstances, I said clearly that I could not agree to that amendment.

Dr. Eastick: That was to be at the expense of the States?

The Hon. D. A. DUNSTAN: Potentially at the expense of the States. The Prime Minister said he expected that the parcel would be larger and that the States could therefore still expect an increase. He agreed that, in normal circumstances, out of the total cake the States would potentially get a larger share at either the local government or the larger authorities' rate. The position I put to the Prime Minister on this was that local government in South Australia had no difficulty regarding access to capital funds. That is not the problem of local government: the problem is to have sufficient revenue to service whatever loans are received.

Dr. Eastick: From normal local government funds?

The Hon. D. A. DUNSTAN: Or grants, or something of that kind. It is not the case that we have not been able to meet the requests of local government for loan raisings. It has been possible to raise the money on the loan market. If it was not, we could approach the State Bank. This is not the problem. The problem is that local government should have sufficient revenue each year to service the loans it thinks it can afford. That would not be affected by membership of the Loan Council, so I could not express agreement, unless there was to be an amendment of section 105A of the Commonwealth Constitution that would ensure that the State's access to moneys for construction expenditure was in no way diminished by local government's accession to the Loan Council, and as I did not get that assurance I could not support the proposition. I think this proposition needs much public explanation. No-one in this country would suggest that local government had sufficient finance to provide for the discharge of its responsibilities, and it would be an advantage to local government to have additional access to a revenue base. I should think all members of this House would support action that would obtain that sort of situation for local government. Unfortunately, however, that was not the proposition before the Premiers' Conference. What was before the Premiers' Conference was a proposal for a potential reduction in the States' access to funds for construction works.

The Hon. J. D. Corcoran: Local government hasn't the revenue base to finance additional loans.

The Hon. D. A. DUNSTAN: Exactly, without giving it additional money to finance the loans that it might achieve at the expense of State Governments anyway. In these circumstances, I could not agree that this was a sensible basis on which to proceed.

Mr. Coumbe: Did the other Premiers agree?

The Hon. D. A. DUNSTAN: I do not think any Premier agreed to the proposal without conditions that were not proposed by the Prime Minister. My Labor

colleagues expressed more enthusiasm for the general proposal, albeit subject to conditions, than I did.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I consider that on matters of negotiation of this kind one should be blunt, and I was.

MARINELAND

Mr. PAYNE: Can the Minister of Local Government say what is the current position of the establishment known as Marineland? A short article in this morning's *Advertiser,* headed "Government may buy Marineland", states:

The South Australian Government is expected to buy Marineland at West Beach. The Minister of Local Government (Mr. Virgo) said late last night he would hold preliminary discussions with the aquarium's owner, Mr. A. J. Boss.

I am not implying that the press report is inaccurate, but it would benefit all members if they could be given information on this matter by the Minister.

The Hon. G. T. VIRGO: Yes, I can expand the statement to some extent. The preliminary discussions referred to took place over the telephone at my home at 8 o'clock this morning. Since then, I have had discussions with officers of the Government who will be responsible for the negotiations on behalf of the Government. The Government has made the conscious decision to enter into negotiations with the aim of determining whether a satisfactory arrangement can be arrived at between the Government and the owner of Marineland, as we see the future of Marineland tied up very closely with the future of the whole area, which has a tremendous potential. It is already serving more than a useful purpose: Marineland as a tourist attraction; the caravan park as a holiday resort; and the golf course as a recreational area. Much more can be achieved and the Government desires to achieve it. We see Marineland as a necessary part, and a very desirable part, of the whole concept, and it was for this reason that we agreed to commence negotiations. I believe that even at this stage an officer of the Government has already made the first contact with the owners of Marineland to commence negotiations. However, despite the apparent urgency of these talks, there will be a delay in the proceedings because the owner is leaving tomorrow for another State and will not be available for another week. Obviously, negotiations will therefore be held in abeyance for that period.

STATE BANK

Mr. MILLHOUSE: Can the Premier say why the Government has appointed to the Board of Management of the State Bank of South Australia a man who lives in Sydney? I noticed in the *Government Gazette,* I think at the end of August or the beginning of September, the appointment of Mr. E. R. Howells as a member of the State Bank board. Last week I placed a Question on Notice asking who were the members of the board and whether they all lived in South Australia, as I understood that Mr. Howells did not. That understanding was confirmed by the Premier's reply yesterday in which he stated, in part:

All members of the board reside in South Australia except Mr. E. R. Howells, who resides in Sydney, New South Wales.

As I understand it from my experience in and out of Government, it is a most unusual procedure to appoint to the board of a South Australian undertaking (I will use that word) someone from outside the State. Whether it has anything to do with the Labor Party and the abolition of the States I do not know, but I invite the Premier to give the reasons and the justification for the Government's action.

The Hon. D. A. DUNSTAN: I am delighted to enlighten the honourable member on this matter. For some time the Government has been concerned that, under the provisions of the Constitution, the State has a considerable banking licence that has not been used to the full. Consequently, the Government decided that it was advisable to have on the boards of the Savings Bank and of the State Bank in South Australia a banking expert of considerable stature, someone who had considerable experience in the use by the banks of the money markets and of international financing. Neither bank board had someone with this experience on it, nor was there anyone available immediately in South Australia who had experience of this kind as a senior banking officer—

Mr. Millhouse: Why did—

The Hon. D. A. DUNSTAN: —at least, no-one we could find. At that stage a submission was made to the Public Service Board to create a special post in the Treasury for such an officer, and the board recommended the creation of such an office and it was advertised. However, at the rate at which we pay people in the Public Service in South Australia we found, as a result of the advertisement, that it was impossible to attract anyone with the expertise for which we were looking. Therefore, we could not make that appointment as a full-time Treasury officer. I then discussed the matter with senior officials in banking in Australia, with the board of the Reserve Bank, and with boards of merchant banking organizations. As a result of considerable discussion (and this has taken about two years to achieve), we found an officer of a major merchant banking organization in Australia who could discharge this duty for us and who would accept, with the agreement of that organization, an appointment to our boards at the fees that we paid board members.

Mr. Millhouse: Which organization?

The Hon. D. A. DUNSTAN: Development Finance Corporation, which, as the honourable member knows, has been responsible for the creation of banking organizations for several State Governments led by Liberal Premiers.

The Hon. J. D. Corcoran: He wouldn't know.

The Hon. D. A. DUNSTAN: If the honourable member does not know, he should know. We then checked the qualifications of this gentleman: he has extremely good qualifications as a senior officer and is an extremely experienced one in a wide range of banking activities. We believed it was necessary to add this expertise to our boards and, consequently, Mr. Howells has been appointed to the State Bank board.

MONIER BESSER

Mr. MAX BROWN: Can the Minister of Development and Mines say (and if he cannot will he ascertain) what the concrete firm of Monier Besser intends to do with its established industry in Whyalla and what is to happen to the industrial land it holds in that area, after it has obtained a major concrete sleeper contract from the Commonwealth Government? It has been announced in the *Advertiser* that this firm is likely to obtain this contract and, apparently, it intends to either close down or considerably reduce its operations in Whyalla and move them to Port Pirie. I welcome the obtaining of this contract: in fact, it has taken a Commonwealth Labor Government to obtain such a contract for South Australia and it is an important contract, but the likely effect on my district should be examined.

The Hon. D. J. HOPGOOD: As I can understand the honourable member's concern for the development of his district, I will obtain a considered reply for him.

ROADSIDE FLORA

Mr. CHAPMAN: Will the Minister of Environment and Conservation consider allowing some residents of the Fleurieu Peninsula the chance to gather and replant native shrubs and wildflower plants from the roadside between Willunga Hill and Mt. Compass? This road is to be widened as part of the Victor Harbor highway project, and it has been brought to my notice that valuable native flora will be totally destroyed by the Highways Department during this operation. I understand that an approach has already been made to the Minister of Transport regarding this matter. However, as I appreciate that his basic interest is confined to bulldozers and roadmaking, I seek the co-operation of the Minister of Environment and Conservation. I have been told by local enthusiasts interested in this matter that, if permission is granted and adequate publicity provided, many valuable flora specimens will be saved.

The Hon. G. R. BROOMHILL: I shall be pleased to speak with the Minister of Transport about this matter, but I should tell the honourable member that, if this matter has been referred to my colleague for consideration, his department will give a completely sympathetic hearing to what the residents are seeking. I have found that in all my negotiations with the Minister of Transport and his officers—

Mr. Gunn: You are the only one!

The Hon. G. R. BROOMHILL: —that they are specially conscious of the need to preserve roadside vegetation. They are also anxious to ensure that as much tree planting as possible is carried out by the department. I remind the honourable member, as well as other members who may be interested, that the Minister of Transport has shown a far greater interest in this sort of matter than has any former Minister, to the extent of increasing substantially the departmental staff dealing with these matters. If this matter has been referred to the Minister of Transport, I am sure it will receive sympathetic consideration from him.

PETRO-CHEMICAL PLANT

Mr. BLACKER: Can the Premier say whether petro-chemical plants operating elsewhere in the world use a process of extraction similar to the process intended to be used at Redcliffs, and whether a plant is operating in a similar geographical situation to Redcliffs that could be used as a valid comparison?

The Hon. D. A. DUNSTAN: I will have to get that information in some detail for the honourable member, but I will obtain it for him.

PYRAMID SELLING

Mr. DEAN BROWN: Will the Attorney-General make a public statement at this time to warn the people of South Australia clearly of the dangers of pyramid selling organizations?

The SPEAKER: Order! I cannot allow that question, because there is a Bill already on the Notice Paper dealing with that matter.

OPAL

Mr. GUNN: Will the Minister of Development and Mines assure the House that the South Australian Government will do everything possible to protect the opal-mining industry against the threat posed by the marketing of synthetic opal? I was concerned to read today an article in the *News* that a certain French company was producing synthetic opals. This matter was brought to my attention some months ago by constituents in the opal-mining fields who fear that not only will this synthetic opal come on to the South Australian and Australian market but also that the people concerned will try to produce this opal, take it to the opal fields and have it marketed as Coober Pedy or Andamooka opal. I seek the Minister's co-operation in this matter.

The Hon. D. J. HOPGOOD: The honourable member may be assured that he will have my full co-operation in this matter. We as a Government are acutely aware of the important part that opals play in the total mining production of the State, and we do not want anything to happen that will disturb that important part. I would make clear to the honourable member that certain aspects of any move to control this matter would be outside my portfolio and, indeed, outside the competence of this Government. However, I will take up the matter on behalf of the honourable member's constituents (indeed, on behalf of the people of this State) to see what pressure we can bring to bear in whatever places are appropriate.

SCHOOL FACILITIES

Mr. RUSSACK: Has the Minister of Education a reply to my recent question about supervision of school facilities outside school hours and any remuneration for this service?

The Hon. HUGH HUDSON: Where the school buildings, grounds or other facilities are used by school teams or for other organized activities, such as the use of the library, the headmaster is responsible to ensure that the team or the activity is supervised by a member of the stall or other responsible person. No remuneration is made for such supervision, but in secondary schools, by internal arrangements agreed to by the staff, teachers who regularly supervise school sports on Saturday mornings may be granted equivalent unscheduled time during the week. Where the facilities are used by an outside organization, the matter is dealt with by the headmaster in consultation and agreement with the school council. The organization concerned is responsible to the headmaster for the care and proper use of the buildings and facilities. The headmaster has similar authority for the care of school facilities at weekends. Where applications are made for the use of the facilities, during that time the conditions set out above apply. If the grounds are being used without permission, police co-operation may be sought.

SERVICE COSTS

Mr. BECKER: Can the Premier say whether the Government will consider having service costs spread over, say, 50 years in an effort to reduce the initial purchase price of a vacant block of land? I understand that in developing new housing blocks certain Government services, such as water, sewerage, roads, kerbing, and so on, amount to a cost of at least $1 500 for each block. In an effort to help new house builders to acquire building blocks at amounts they can afford, could not these Government charges be spread over a 50-year term? Repayments could be incorporated in the quarterly accounts for water and sewerage rates and council rates, or in other taxes, if necessary.

The Hon. D. A. DUNSTAN: Given the requirements of public financing, I should think it highly doubtful, but I will inquire.

VICTOR HARBOR RAILWAY

Mr. McANANEY: In the temporary absence of the Minister of Transport, has the Minister of Development and Mines a reply to my recent question about revenue and expenditure in connection with the Mount Barker Junction to Victor Harbor railway line?

The Hon. D. J. HOPGOOD: The cost of running the railway line between Mount Barker Junction and Victor Harbor, not taking into account any revenue earned, is $361 000 annually. The revenue earned for the periods 1972-73 and 1971-72 is as follows:

	1972-73	1971-72
	$	$
Freight	48 000	76 000
Passenger	50 000	46 000
	$98 000	$122 000

In 1972-73, 12 000 tons (12 192 t) of freight was carried, and 20 000 tons (20 320 t) was carried in 1971-72; 38 000 passengers were carried in 1972-73 and 36 000 in 1971-72.

GRASSHOPPERS

Mr. VENNING: My question is to the Deputy Leader.

The Hon. Hugh Hudson: The Deputy Leader of what?

Mr. VENNING: The Deputy Leader of the Government.

The SPEAKER: That is the Deputy Premier.

Mr. VENNING: My question is to the Deputy Premier. Will he obtain from the Minister of Agriculture a reply to the question I asked three weeks ago tomorrow about the supply of grasshopper sprays? Newspaper reports and comments in this House indicate numerous outbreaks of grasshopper infestation throughout the State. Therefore, I point out the urgency of my question to the Minister. We wish to know whether sprays are available to councils throughout the State on a basis similar to that on which they were made available last year.

The Hon. J. D. CORCORAN: I have a reply for the honourable member. Out of respect for an indication from the Opposition Whip that questions were not being asked this afternoon, I did not bother to indicate that I had it. I apologize to the honourable member. My colleague informs me that ample supplies of insecticides will be available for plague grasshopper control this season. Supplies were ordered on winter estimates aimed at protecting cereal crops and stock feed in the area. Because of the subsequent excellent season it will not be necessary to treat many feed areas because there will be ample for both stock and grasshoppers. Consequently, supplies should be more than adequate with only the cereal crops to be protected. The insecticides will be made available at half the cost price. Fenitrothion will be available at $6.80 per gallon and maldison at $2.90 which is approximately the same as last year.

PERSONAL EXPLANATIONS: WEST LAKES

Mr. HALL (Goyder): I seek leave to make a personal explanation.

Leave granted.

Mr. HALL: I wish to correct a misrepresentation made by the Minister of Works and reported in today's *Advertiser* concerning the actions of a previous Government, which I led, in relation to West Lakes. The Minister has said that that Government sold the future residents of West Lakes down the drain, and he is reported as saying also that the Hall Government "sold out to West Lakes too cheaply by not guaranteeing sufficient open space and recreation areas". The facts are detailed in official records. In *Hansard* of July 1, 1969, I am reported as making a general statement in reply to a question about West Lakes, and I quote several extracts from that statement, as follows:

> Just before the last election, the Government of which the honourable member was a part very hurriedly drew together a plan for the development by private enterprise of the West Lakes scheme. During the review period (and I refer to that period between when we came into office and the new indenture was signed), detailed planning and investigation by various Government departments and the corporation has enabled both parties to have inserted in the indenture agreements on various matters which, under the old arrangement, could have been sources of serious dispute to the extent of endangering the scheme . . . The previous Government did this hurriedly indeed because some Directors of departments were given only 24 hours to report on various needs and services in that area, and on that basis the thing proceeded ... If the honourable member considers those points along with the old indenture he will see the very many major improvements in the new indenture.

On October 14, 1969, the Premier, then Leader of the Opposition, said the following in support of the West Lakes Bill:

> I support the Bill. I believe some matters of administrative detail will have to be dealt with by the Select Committee that will be appointed because this is a hybrid Bill. However, in basis, the policy followed in the Bill is the same as that supported by the previous Government. As this is an extremely important and valuable development for the State, the Opposition considers that it should facilitate the passage of the Bill in every way, bearing in mind that certain inquiries will have to be made to ensure that all aspects are covered.

It was evident by this time that the renegotiated West Lakes agreement was far superior to the one initiated by the Premier. For instance, the Olympic rowing course, which had been disregarded by him, had been restored. In fact, the Labor Party was in unanimous support—

The SPEAKER: Order! The honourable member sought leave of the House to make a personal explanation, which I believe he has already made. He is now starting to debate the issue. I will allow the honourable member to make a personal explanation, but he cannot debate the issue.

Mr. HALL: I am sorry if I transgressed, but I was just coming to more factual material. In the same debate on the Bill to which I have referred the present Minister of Education said in *Hansard* on October 14:

> I hope the Premier—

referring to me at the time—

> when he replies to this debate will give the Leader some credit for the actions he has taken in promoting the whole scheme.

The present Premier (then Leader of the Opposition) then took part in a further study of the West Lakes scheme as a member of the Select Committee set up by the House to examine the proposal. On pages 58 and 59 of that report there is an outline of his questioning of the Director of Planning about recreation areas, which are among the specific charges made by the Minister yesterday.

The SPEAKER: Order! First, I point out that the honourable member cannot go beyond making a personal explanation. Secondly, the time that he is allowed by Standing Orders has expired.

Mr. MILLHOUSE: I move:

> That the member for Goyder's time be extended to enable him to complete his explanation.

It is very important that the record should be put straight and the responsibility sheeted home.

The SPEAKER: Order! The honourable member for Goyder may seek leave.

Mr. HALL: Mr. Speaker, I seek leave to complete my explanation.

The SPEAKER: In granting leave, I point out to the honourable member that he is making a personal explanation and will not be allowed to debate the matter.

Leave granted.

Mr. HALL: Mr. Speaker, I recognize your ruling on that, and I believe that I am basically operating within it. A most serious charge has been made by the Minister of Works against me personally and against the Government that I led, and I am using factual material to refute that charge. The Premier's questions in the report to which I have referred dealt in some detail with recreation areas and access to the lake waterfront. After engaging in that study, the Premier moved that the draft report of the Select Committee be agreed to. The actual reference to his motion is contained in the minutes of Tuesday, October 29, 1969, and reads as follows:

Chairman submitted a draft report for the consideration of the Committee. Resolved on motion of the Hon. D. A. Dunstan that the draft report be agreed to.

That same person then said in the House of Assembly on October 30, 1969:

As a member of the Select Committee, I agree with its report...I appreciate that the Government has been convinced that this project is desirable and has obtained what it thought would be the best possible deal and one that would ensure development under control.

This documented evidence proves that the Minister's remarks are simply malicious and deceitful propaganda.

The SPEAKER: Order! The latter part has nothing to do with a personal explanation and I rule it out of order.

The Hon. J. D. CORCORAN (Minister of Works): I seek leave to make a personal explanation.

Mr. Millhouse: You've a lot to explain, too.

The SPEAKER: Order!

Leave granted.

The Hon. J. D. CORCORAN: That certainly was an astounding personal explanation of the member for Goyder. I want to reiterate what I told a reporter yesterday: if anyone had any sins for which to answer in this matter maybe it was Mr. Hall, the Leader of the Liberal Government from early 1968 to mid-1970. The member for Goyder has referred now to a motion moved by the present Premier at a meeting of a Select Committee of which the member for Goyder was Chairman, and he was Chairman because he was the Premier of the State. I suppose that he put his signature to the indenture that was passed by Parliament. Now he is trying to do what this morning he accused me of doing: he is trying to avoid his responsibility in this matter.

Mr. Millhouse: Don't be silly.

The Hon. J. D. CORCORAN: The issue is whether or not sufficient space was made available for public recreational use in the present development of West Lakes.

Mr. Millhouse: Dunstan was—

The Hon. HUGH HUDSON: On a point of order, Mr. Speaker. When a personal explanation is being made, do interjections mean that leave for that explanation has been withdrawn?

The SPEAKER: Interjections are out of order at any time, and I intend that this rule shall be strictly followed.

The Hon. J. D. CORCORAN: I take it that, as Chairman of the relevant Select Committee and as the member who introduced this measure, the member for Goyder will accept responsibility for it, or will he not do so? Of course he has to accept that responsibility. The committee which I set up and which reported to me indicated clearly that there were not sufficient—

The SPEAKER: Order! The honourable member for Davenport.

Mr. DEAN BROWN: On a point of order, I do not consider that what the Minister is saying at present is a personal explanation.

The SPEAKER: Order! The honourable Minister sought leave to make a personal explanation, and he must confine his remarks to that personal explanation.

The Hon. J. D. CORCORAN: I am explaining my position (and that is personal) in relation to what has been said by the member for Goyder. The honourable member must bear full responsibility for the measure that passed this House. The committee which I subsequently set up and which has reported to me recommended that additional spaces should be purchased by the Government or someone else or made available by the authority, because insufficient recreational space is presently allocated inside the development. If the honourable member is not responsible for this, I should like to know what he is responsible for. No doubt he would claim responsibility for many of the things which happened while he was Premier and which he thought were successful, whether initiated by him or not. He cannot just jump behind the shadows he has created and avoid this issue. I stand exactly by what I said yesterday: I do not move an inch from it.

Mr. Millhouse: Why didn't Dunstan—

The SPEAKER: Order!

The Hon. Hugh Hudson: Perhaps Queenstown can become recreational space for West Lakes.

The SPEAKER: Order!

NATIONAL HEALTH SCHEME

Notices of Motion (Other Business): Mr. Hall to move:

That, in view of the provocative statements made by the Minister for Social Security (Mr. Hayden), and the apparent determination of the Commonwealth Labor Government to proceed with fundamental and authoritarian alterations to our medical and health services, the Government of South Australia should request the Prime .Minister to re-evaluate his plans and arrange a working conference with State Ministers, members of the medical profession, and representatives of private hospital managements before proceeding.

Mr. MILLHOUSE: At the request of the member for Goyder and with his consent, I move:

That this notice of motion be made an order of the day for Wednesday, October 24.

The Hon. Hugh Hudson: Have you got it in writing?

The SPEAKER: Is the motion seconded?

Mr. MILLHOUSE: Yes.

Dr. TONKIN: Yes.

The Hon. HUGH HUDSON: On a point of order, Mr. Speaker, the member for Mitcham seconded his own motion and no-one else seconded it.

Dr. TONKIN seconded the motion.

Motion carried.

ISLINGTON LAND

Mr. MILLHOUSE (Mitcham): I move:

That this House is of opinion that the price being asked by the Government for the old Islington sewage farm land is scandalously high, especially in view of the oft-expressed Government intention to keep prices down and calls on it forthwith substantially to reduce the price sought.

This motion results from an article that appears in the *Advertiser* of October 3 and from a complaint made to me by a man living not in my district, but, I think, at

Stonyfell), who subsequently wrote me a letter. The article, headed "Government Accused of Profiteering", states:

The State Government has been accused of inflating the value of industrial real estate by selling Crown land as factory sites at exorbitant prices.

I shall not now refer to the rest of the article, because I shall be canvassing the various points in it in a moment. However, at the end of the article I am reported as saying:

The project showed the hypocrisy of the Government's land proposals—

that is, the Bills we have been debating in the last few days—

and its claims to be forcing prices down.

I said:

I want to know who set these prices and will be asking for an explanation when Parliament resumes.

That appeared in the paper on the Wednesday morning. On that afternoon the member for Ross Smith asked one of his now all too infrequent questions of the Premier early in Question Time about this matter, and the Premier, who had obviously been expecting the question (I have no doubt it had been organized between them that the honourable member should ask the question), immediately made a statement to which I will be referring in a moment. It was a prepared document which no doubt had been carefully considered before it was read. Immediately after the statement, you, Mr. Speaker, gave me an unusually early call because I had indicated my intention in the newspaper to ask a question about this matter. Immediately after the Premier made his statement in reply to the member for Ross Smith I was given the call. I had listened with attention to the explanation, a lame one, I may say, given by the Premier on this matter, and I had prepared for myself a notice of motion to give if I were not satisfied with the explanation I would have sought if it had not already been given by the Premier.

I immediately gave notice of this motion, and I do not regret doing that. What is the background to all this? The background is the publicity campaign we have had from the Government to keep land prices in South Australia down. We have had the Bills in the House, as I have said, and we have had all sorts of threat and charge and complaint made by members of the Government over the last few months. I believe that all we have seen regarding price control of land and of land prices is merely a cloak by the Government in seeking to obtain its aim of the control of land in this State, this being fundamental to a Socialist economy. On the one hand we find the Government telling everyone that they have to keep their prices down, and on the other hand the Government is asking top price (in fact, over the top price, as I hope to show in a moment) for its own land. I should have thought that, even as a cloak to hide its real intentions, the Government would have had the sense to use moderation in fixing the price of this land, or that it would have gone even further and, if anything, erred on the low side rather than the high side in fixing its prices. However, it has not done this. The Government has gone all out for the top price that it can get, a price I believe to be too high.

I now refer to the letter I received from the person who first made the complaint to me about this matter. The letter states:

Dear Sir, *re* Regency Park industrial estates—

It is ironic that at about the time all this blew up the Minister of Lands, who is the Minister responsible for the Geographic Names Board, was issuing dire threats about the use of unauthorized suburb names. Having checked, I find that Regency Park, the name which the Minister is apparently so proud to use for this project, has not in fact run the gamut of the Act. Certainly up to last week (and I have not checked last Thursday's *Government Gazette)* it was not the authorized name, either.

Mr. Mathwin: You would agree that it sounds nicer than "Islington Sewage Farm"?

Mr. MILLHOUSE: Yes, but I have used that name in my motion because I believe it is the correct name. The Minister complains about fancy names being used for certain areas, yet this situation occurs, but never mind. The letter continues:

In answer to an advertisement by the Lands Department in the *Advertiser* on Saturday, September 29, 1973, I rang the department and requested brochures concerning an 84-acre industrial subdivision at the old Islington Sewerage Treatment Works. After recent publicity regarding the Government's intention to curtail the spiralling land prices—imagine my surprise when I was informed that the land was approximately $40 000 an acre . . .

I pause here because the Premier, in the first sentence of his explanation, said:

The price of $40 000 an acre quoted in the newspaper has been checked and it is wrong. It is out by about $10 000.

The person who wrote me the letter said that, when he telephoned the Lands Department, he was told by the officer of the department to whom he spoke that the land was priced at $40 000 an acre. If there is any error, it has been made by the Government's own officers in the Lands Department.

The Hon. D. J. Hopgood: What are you suggesting—that we sack them?

Mr. MILLHOUSE: No, but we should put the blame where it lies, not where the Premier put it—on the person who complained and on the *Advertiser.* Let the Minister answer if he can. The letter continues:

. . . double the price of land sold recently nearby. The minimum size of blocks is 1½ acres (approximately $60 000) and 10-acre blocks come at the bargain price of $300 000 each.

I leave out the next paragraph, which gives comparative prices, because I intend to go into that aspect in more detail later. The letter continues:

If this is an example of what the Government can do with land it already owns, what will happen when it buys land on the open market and develops it for housing. If the Government does not sell one block of land at the inflationary prices, the whole price of industrial land will rise in sympathy with the new Government yardstick. Mr. Millhouse, I set out with an aim to purchase a reasonably priced block of land without the private developers oft-quoted "excessive profits" and find I am expected to pay 100 per cent more for Government-developed land. What is happening?

I, too, ask that question, and the Government has not answered it. The Premier, in reply to my good old friend from Ross Smith, having said that the price of $40 000 an acre was incorrect, stated:

The land has been priced at Regency Park and is available for purchase. The price was fixed by the Land Board. In fixing the prices the board had regard to the market value of industrial land in metropolitan Adelaide, taking into account the superior services provided at Regency Park...

The reply goes on in the same vein.

Mr. Mathwin: Does the Premier call it Regency Park?

Mr. MILLHOUSE: Yes, he does, too. To drive the point home and give the Premier a chance to retract if he wanted to, with a few days' notice (he had had only a few hours to have the other replies prepared), I asked a Question on Notice. Incidentally, it is headed "Islington sewage farm" and the relevant parts of the question and reply are as follows:

Upon what basis has the price of the old Islington sewage farm land been fixed?

Comparable sales of land with similar favourable location and quality of services provided by development.

He stuck to comparability in the costing of the land. Before I came to the House on that Wednesday, I went to the Lands Department and got a copy of the attractive brochure headed "Regency Park Industrial Estate". We have seen the attractive blurb that all developers put out in trying to sell their land and I can compare what is stated in this brochure with what another developer has said. The brochure states:

A South Australian Government development of high class fully-serviced industrial sites, comprising 33 sites with a total area of 84 acres, zoned for light and general industry, conveniently situated within 6 km of the G.P.O., Adelaide.

It refers to location, facilities, and site services. When I used the word "blurb" a short time ago, I was not blaming the Government for dressing up the brochure: everyone does that. However, conditions are tucked in regarding the covenant. The Government, which is charging the amount that I have stated for the land, is also annexing to the contracts for sale and purchase onerous conditions that do not apply to the sale and purchase of land by private developers. The Government is asking people to buy its land at a top price and subject to onerous conditions, whereas private developers are offering comparable land at a lower price and without any such conditions.

Mr. Payne: Do they give it away?

Mr. MILLHOUSE: No, but one can always expect the member for Mitchell to make a silly interjection. I shall refer now to some of the special conditions to which sale of the land will be subject. The first one to which I refer states:

The purchaser shall use the land for such purpose as is determined at time of allotment or as the Minister may from time to time in writing approve and for no other purpose.

Therefore, the purchaser, even if he has entered into a contract to buy the land, must get Ministerial approval for what he does with it. Another condition states:

The purchaser shall within three years from the date of commencement of the agreement erect on the land improvements suitable for the purpose for which the land is sold. Such improvements to be in accordance with plans and specifications approved by the Minister before the commencement of same.

The Minister must approve any buildings. One cannot imagine many private developers being able to annex such covenants to land. One thinks of the Springfield development about 30 years ago, when something similar was applied, but I have never known of such a thing in relation to industrial land. Another covenant to which I refer states:

The purchaser will not erect any building (other than that referred to in clause 4 hereof) on the land without first obtaining the approval of the Minister.

The Minister has tied it up fairly well. Another condition states:

The agreement shall be liable to forfeiture if any of the instalments reserved by the agreement shall be unpaid and in arrears for more than six months after the day whereon the same is made payable by the agreement—

If any instalment, even the last one, is owing, the agreement is liable to forfeiture but this is, of course, at the option of the Government.

Mr. McAnaney: Aren't people protected by the consumer protection legislation?

Mr. MILLHOUSE: When the Government does it, it does it in a different way from that in which private enterprise must do it. Private enterprise is confined in every way, but we must trust the Government to do the right thing. The condition continues:

—the purchaser had at least three months previous notice in writing demanding its payment, or if the vendor shall be satisfied there has been a breach in the performance or observance of any of the covenants contained in the agreement or that the agreement is liable to forfeiture, and the vendor may re-enter and take possession of the land, and it shall be lawful for the Minister, before or after re-entry, to cancel and determine the agreement...

The conditions annexed to this land are about as one-sided and onerous on the purchaser as one can imagine. I ask members, when we are comparing the price asked for this land with that asked for other land, to remember that the other land is not subject to any such conditions as these. Further, the Government did not have to pay for the Islington land in the first place and the only cost to the Government has been that for services, and so on. It has always been Government land, whereas private developers have had to pay for other land, so there is another advantage the Government has had.

I shall deal now with comparable land. I have asked several land developers for prices, because what the Premier said in reply to the member for Ross Smith was completely and utterly misleading and, I believe, deliberately so. The table from which I shall read was supplied to me by the man who wrote the letter to which I have referred. I will not read all of the table, because it is long. However, it is necessary to read some of it to give the Minister the opportunity to reply on this matter, if he can. A block at Dry Creek comprising 1½ acres (.7 ha) was sold for $20 900, or $11 943 an acre (.4 ha) in June, 1973. That land was zoned as Gl. I think the member for Ross Smith will appreciate this information. Perhaps he does not appreciate the truth coming out, but some of this land is in or near his district.

Mr. Jennings: I appreciate your making a fool of yourself!

Mr. MILLHOUSE: This will please the member for Ross Smith. At Wingfield two acres (.8 ha) of land was sold for $80 000, which is $40 000 an acre (.4 ha) in August, 1973, but I must tell him that that had buildings erected on it. I did that only to catch him. I will leave out from now on those sales on which there is some development and refer only to undeveloped land. At Brompton (which is far closer to the centre of the city; in fact it is right in the industrial centre of the city) 3½ acres (1.4 ha) was sold for $140 000. which means $40 000 an acre, in September, 1973. A site at Brompton 90ft. (27 m) by 120ft. (36 m) was sold for $22 500, or $90 675 an acre, in September, 1973. Another site at Brompton 120ft. (36 m) by 120ft. (36 m) was sold for $26 400, or $79 992 an acre, in September, 1973. At Wingfield a one-acre site was sold for $15 000 in August, 1973, and a second one-acre site was sold for $15 000 in August, 1973. Land at Dry Creek, on the corner of Cavan Road, sold at $20 000 an acre ($140 000 for 7 acres) in September, 1973. In the same month, two 2½.acre sites (10 ha) in that locality were each sold for $50 000, or $20 000 an acre. An 82-acre (33 ha) site on Churchill Road at Dry Creek, with no services, sold for $738 000, which is $9 000 an acre, in February, 1973. That is not really comparable, because it is not developed. A site of 2 acres (.8 ha) at Wingfield sold for $35 000 ($17 500 an acre) in August, 1973. A site of 55 000sq.ft. (5 109 m^2) at Hindmarsh sold for $60 500 ($47 916 an acre) in July, 1973. A site of 17 000sq.ft. (1 579 m^2) at Hindmarsh sold for $18 700 ($47 916 an acre) in July, 1973. Four acres (1.6 ha) at Wingfield sold for $58 500 ($14 625 an acre) on September 8, 1973. Also at Wingfield, six

blocks, each 50ft. (15 m) by 175ft. (53 m) sold for $23 700 ($19 587 an acre) on September 8, 1973. On August 11, 1973, a block at Hindmarsh 165ft. (50 m) by 66ft. (20 m) sold for $18 750 ($75 000 an acre). At Dry Creek, 2¼ acres (.9 ha) sold for $45 000 ($20 000 an acre) on August 4, 1973. At Millers Road, Wingfield, three blocks each 50ft. (15 m) by 175ft. (53 m) sold for $27 900 ($46 300 an acre) on July 7, 1973. One acre at O'Halloran Hill sold for $25 600 on June 23, 1973.

The SPEAKER: Are you linking them up as a comparison?

Mr. MILLHOUSE: Yes, I will finish the list first. Members will find there is no land in the northern areas anywhere near the Islington sewage farm that comes within cooee of the price that is being asked by the Government for this land. I now go on to list the names of vendors, purchase prices and dates of purchase of industrial land sold recently by private developers. On December 1, 1972, John Shearer and Son Limited sold to Cellulose Australia Limited an area of 5 acres 1 rood (2 ha) on Churchill Road, Dry Creek, for $77 000, which is $14 666 an acre. On February 20, 1973, John Shearer and Son Limited sold to Cellulose Australia Limited land at Cavan Road, Dry Creek, for $277 750, which is $11 000 an acre. An excellent site (as it is described by the developer) on the corner of Hanson Road and Francis Street, Wingfield, was sold by J. A. Witter to Quest Industries on September 4, 1973, for $35 000, which is $17 720 an acre. The land has since been resold for $42 500, to be settled on October 31, 1973, and this is the equivalent of $21 520 an acre, which is still well below the Government price. I know the final example will impress the Government, because it happens to be one of the Government's favourites, that is, West Lakes. Strangely enough, I have from West Lakes Sales Proprietary Limited the brochure which is very similar in its blurb to that for Regency Park. It is headed "Royal Park Industrial Estate" and inside it has almost the same words as the Government has used in its advertisement for land at Islington: "Capitalize on the best industrial land in South Australia". Who is to say who is puffing? Is it West Lakes, or is it the Government? The brochure states:

> Looking at the advantages of expanding your company interests near the rapidly developing community of West Lakes?

It goes on to describe location, industrial base, transportation and labor supply, just as the Government did. Strangely enough, the Premier had the gall in his statement, in answer to my old friend the member for Ross Smith, to say that West Lakes had land which was comparable and which had been used by the Government in fixing the price. He said:

> Direct comparisons were made with recent vacant land sales at Cavan, Dry Creek, Wingfield, Dudley Park, Ferryden Park, West Lakes and Plympton North.

It is because of that statement that I have gone to the trouble to give the House the comparable sales I have mentioned. I will now give the House a list of prices sought for industrial land at West Lakes, land which is also regarded as the best industrial land in South Australia. These figures are up to date because I rang the West Lakes sales office and asked for the brochure. I gave the reason for wanting it, and the brochure was sent to me with one correction in the price list. We will now see whether the Government is charging a price comparable to the West Lakes prices. The price for lot No. 1. of 6.8 acres (2.6 ha) is $107 000. The price of $118 000 is asked for lot No. 2 of 7.3 acres (2.9 ha) and lot No. 3, 5.5 acres (2.4 ha) is available for $95 000. Lot No. 4, of 4.8 acres (1.8 ha) is available for $87 000. The price of $90 000 is asked for lot No. 5, of 4.9 acres (2 ha). Lot No. 6, of 4.7 acres (1.7 ha), is available for $90 000. Lots numbered 7 to 20 inclusive are of half an acre each (.2 ha) at a price of $15 000 each. I mention that these are half-acre lots (.2 ha) so that it will be easy for honourable members to work out that the price is $30 000 an acre. Lot No. 21, of 1.2 acres (.4 ha), is available for $25 000. Lots Nos. 22 to 26 inclusive, of one acre each, are available for $19 000 each, and lot No. 27, of 1.2 acres (.4 ha), is available for $21 000.

Does the Government really, with West Lakes land available at these prices, say honestly that the prices which have been asked for land at the Islington sewage farm are comparable with prices asked for other industrial land? One has only to look at the figures to see that what the Government has done is jack up the price considerably above the price that is being asked for the best land by private developers. That is why I complain about this. I complain about the way in which the Government immediately tries to justify what it is doing. It is sheer hypocrisy for the Government to tell other people to keep down their prices and then ask significantly higher than comparable prices for its own land. It is typical, of course, of Socialism: the Government knows best; the Government can do what it damn well likes; and other people can go jump in the lake (West Lakes, or wherever else the Government wishes). This is utterly arrogant and utterly wrong, and I believe that it should be exposed. I am glad that this has occurred at a time when the matter of land prices is to the fore, and when the Government is putting the boots into private enterprise and will control land prices or some land prices, so that we can see just what the Government itself will do.

I hope that in due course we will obtain a reply (and a better reply than the Premier gave on the day) to what I have said, because I do not believe that there is any justification for the way in which the Government has fixed the prices of this land. It is a bad example; it will encourage others to increase their prices, and it is sheer hypocrisy (to use that word again) for the Premier to say, "There is plenty of industrial land, so we will let the market fix the price." That is what the Premier stated. He has a touching faith in the workings of the market when it suits him and his Government but, when it does not and when he thinks he can put the screws into someone else, it is not nearly so good. I end by referring to the last thing that the Premier said which was utterly meaningless but which is so typical of him when he is in a spot; he uses words (and uses them impressively) which mean absolutely nothing. The Premier said:

> In Australian industrial development terms—

whatever that phrase may mean (I believe it means nothing)—

> this is the cheapest land available anywhere in Australia.

I hope that I have said enough this afternoon to give the lie direct to that statement.

Mr. JENNINGS secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL (VEHICLE WIDTH)

Mr. EVANS (Fisher) obtained leave and introduced a Bill for an Act to amend the Road Traffic Act, 1961-1972. Read a first time.

Mr. EVANS: I move:

That this Bill be now read a second time.

This short Bill is designed to increase the permissible width of certain motor vehicles where necessary. At present,

the maximum allowable width under the Act is 8ft. 2½m. (2.5 m), and I wish to increase that to 2.6 m, which is equivalent to the Imperial measurement of 8ft. 6in. (similar to the width of Municipal Tramways Trust buses now operating in the Adelaide metropolitan area). For the five years that I have been a member of Parliament, I have stressed that the M.T.T. operates vehicles that are wider than other vehicles permitted to be used on the roads. On September 13 last, the Minister of Transport, in reply to a question I had asked of him, stated that in Victoria the Melbourne and Metropolitan Tramways Board had used buses of a width of 2.6 m, and he added that "the use of buses of a width of 8ft. 6in. is now becoming virtually universal in oversea countries".

From that, I take it that this increased width is accepted in other countries; it is accepted in Victoria, and we have allowed an exemption to the M.T.T. in this respect concerning certain of its operations within the metropolitan area. The exemption has also been allowed to a degree in respect of certain other road users. However, any operator who purchases one of the M.T.T.'s buses of this greater width must make the bus narrower; or, alternatively, the trust pays the cost of reducing the width of the bus before selling it. I believe that this is a humbug and that there is no problem in altering the allowable width to 2.6 m. Indeed, it is for that reason that I have introduced the Bill. Clause 1 is formal, and clause 2 merely alters the measurement, as I have stated, from 2.5 m to 2.6 m. I believe that the Bill, if passed, will remove one of the anomalies that exist in the present Act.

The Hon. G. T. VIRGO secured the adjournment of the debate.

BRANDY EXCISE

Mr. ARNOLD (Chaffey): I move:

That in the opinion of this House the Commonwealth Government should act immediately to remove the additional excise imposed on the sales of Australian brandy by the recent Commonwealth Budget.

This motion enables every member to support the removal of the additional impost that has been placed on the sale of Australian brandy, and I trust that it will be unanimously supported by all members. As a result of the last Commonwealth Budget, we have seen a dramatic increase of about 80 per cent in the total duty collected on sales of brandy. The level of Commonwealth duty prior to the Budget was $320 a ton, plus $120 a ton sales tax, making a total of $440 a ton on grapes used in making brandy. On each ton of wine grapes used for the purpose of brandy manufacture the grower receives about $60 or $65.

Following the recent increase, the duty is now $623 a ton, plus sales tax of $171 a ton, making a total duty of $794 a ton and, as I have said, this represents an increase of about 80 per cent. In the *News* of October 9, the Premier is reported as saying that the Liberal tax was better. On that occasion the Premier was referring to the 50c a gallon impost on the wine industry of Australia by the then Commonwealth Government. Although that tax may have been better, it was still disastrous for wine grapegrowers in South Australia, especially those in Riverland. As it was a flat-rate tax of 50c a gallon it meant that the tax on bulk dry red and white wines was at the same rate of duty as that paid on wines in the champagne category. Consequently, the rate of interest with regard to the lower-priced wines was far greater than that in the case of wine such as champagne. This tax had a disastrous effect, particularly in the Riverland area. I certainly agree with the Premier that the present increase in brandy excise is worse, but there is little satisfaction to be derived from that.

In 1951-52, the clearance of proof gallons of brandy in Australia was 426 102gall. (1 937 060 *l*), and the Commonwealth revenue collected at that time was $2 964 760. At that time, the excise was increased by $3.10 a proof gallon. The resulting effect in 1952-53 was that the clearance of proof gallons of brandy in Australia dropped from 426 102gall. to 290 885gall. (1 322 362 *l*), a reduction of about 32 per cent. The revenue also fell. Although the Commonwealth Government increased the excise by $3.10 a proof gallon, the revenue collected by the Commonwealth fell to $2 457 004, a reduction of about 17 per cent. Several growers who have previously supplied fruit to Tolley Scott and Tolley Limited have recently received letters from that distillery indicating that, as a result of the increase in the brandy excise, deliveries of fruit will no longer be received. This indicates the sort of situation we are in.

If the wine and brandy industry were given a fair go, it would be the most viable primary industry in the country. It is being completely strangled by the taxes imposed on it. In the present situation, not only the fruitgrowers but also the wineries are in severe financial difficulties. The Government collects nearly $800 a ton in brandy duty, yet growers of the fruit involved are going broke. When they apply to the State for assistance under the Rural Industry Assistance (Special Provisions) Act, their applications are often rejected. To apply for assistance, a grower must first have exhausted all other forms of normal financing. The general attitude adopted by the committee that assesses the applications is that, in most instances, once a grower has exhausted all other avenues of finance he is no longer viable and has little likelihood of being able to repay any assistance granted, on that basis, so his application is rejected.

This seems to be a ridiculous situation, when growers produce, for instance, 100 tons (101.61) to 120 tons (121.92 t) of brandy grapes on which the Commonwealth can collect anything up to $100 000 in duty. Such growers are being forced off their properties because of lack of finance; they are no longer able to make ends meet. Special representations were recently made to the Commonwealth Government by the industry and by the Premier. In the *Advertiser* of October 10, the following report appears:

The Minister for Primary Industry (Senator Wriedt) said last night the imposts on the brandy and wine industry announced in the Budget should be re-examined.

I believe that, if this motion is carried unanimously, it will add weight to the arguments put forward by grapegrowers and wineries and to the representations being made by the State Government. On August 19, 1970, when moving a similar motion in this House against the 50c a gallon impost on wines, the then Premier (Hon. D. A. Dunstan) said:

The wine trade is the one area of South Australian rural production that is reasonably buoyant. It has not been buoyant for long: I vividly remember that in 1965 the Labor Government had to find $500 000 from the State Bank to finance a growers' co-operative to crush the grapes of wine-grape growers who were not getting the cost of production on their grapes in South Australia. They could not sell them at all and we had to find the money from the State to support that area of industry. It is the one area of rural industry that has not been a mendicant to the Commonwealth Government.

Those words are relevant now. We may still find ourselves in a situation where the Government is called on once more to provide finance so that surplus brandy grapes can be processed, and this problem has been created by

the Government's Commonwealth colleagues. I ask all members to support unanimously this motion in an effort to have this impost reduced before the next harvest.

Mr. CHAPMAN (Alexandra): I second the motion, which seeks support from the Parliament to have the Commonwealth Government remove the additional excise tax on sales of Australian brandy, as announced in the recent Commonwealth Budget, and I commend the member for Chaffey for moving it. The introduction of the wine tax in the late 1960's was only a flea bite compared to the excise imposed in the recent Budget. The introduction of an 80 per cent increase in the brandy excise is only another example of the present Commonwealth Government's lack of concern for our primary industries generally.

The wine and spirits industry has struggled in Australia for many years to establish its product. Producers in the industry have finally gained world recognition for their products, and the Commonwealth Government's recent irresponsible action has had, and will continue to have, a crippling effect on the industry. Brandy grape producers received only about $65 a ton (1.016 t) for their product. Following the recent rise in excise, the Government will receive as its share from the sale of the final brandy product almost $800 a ton.

The new retail price of brandy that must now be charged will have the immediate effect of reducing sales. The Commonwealth Government's destructive action must lead to disasters in the brandy industry. To reinforce my claim in this matter I refer to a statement by the Managing Director of the Berri Winery (Mr. C. H. Lever), as follows:

> Not only have we lost the duty differential on brandy, but the duty rise is vicious. It is obviously going to be a very serious blow to producers and sellers. The only difference of opinion among the trade on the duty rise would be that it was either a complete calamity or not so drastic.

All those concerned, from the grower and the others involved in the supply of the product to the consumer, will be affected. As there is no alternative market for this product, if brandy grapes are directed to the white wine market, that market will be swamped and embarrassed.

Further, the incentive of brandy growers at this stage is suffering a three-pronged attack. First, the tariff inquiry covering this product and associated products has almost ground to a halt. Secondly, there is the gradual decline of the differential between brandy and other spirits, which has had a drastic effect on brandy sales in particular. Since 1953-54 there has been a duty of $3 a gallon in favour of brandy against whisky, gin and other spirits. This has worked well and encouraged the growth of the industry. The plans of the present Government to phase out this differential must have a destructive effect on this industry. Thirdly, I am told that in Victoria the relaxation of the brandy differential has caused spirits (rum and gin) to be marketed at rates less than those applying to brandy. These three points, when linked to the proprietary company tax relating to stock revaluation, illustrate what is destroying the industry.

Collectively, these burdens cannot be supported and, to save this vital and valuable industry, the recent excise tax increases must be removed forthwith. True, I am aware that the Premier has taken certain steps on behalf of South Australian brandy producers to have this action implemented, and I believe that he is to be commended for the action he has taken in this regard. This is not a political matter: it is a matter of State and national importance, and it is necessary to protect an industry which involves such a large proportion of our State's population. I hope and expect that members will act responsibly and unanimously support the motion.

The Hon. HUGH HUDSON secured the adjournment of the debate.

WET-LANDS

Adjourned debate on motion of Mr. Arnold:

That, in the opinion of this House, all remaining wet-lands in South Australia should be preserved for the conservation of wildlife, and where possible former wet-lands should be rehabilitated.

(Continued from October 10. Page 1165.)

The Hon. G. R. BROOMHILL (Minister of Environment and Conservation): Although I have some minor objections to the motion moved by the member for Chaffey, after carefully reading through the explanation and listening to what he has had to say on this matter I find there is little in it with which I disagree. Indeed, I appreciate the spirit and remarks of the honourable member in moving this motion. The need for the provision of larger wet-land areas for preservation and the provision of a proper habitat for our wild life in this State is clearly accepted. As the honourable member pointed out, the undertaking of drainage works in the South-East and the provision of locks on the Murray River have over the years created the situation where the natural habitat of our bird life has been considerably reduced.

The situation has now been recognized in South Australia and all the States. Nevertheless, this recognition has come later than I would have wanted and, as a result, I believe with the honourable member that we must be setting our priorities to overcome the shortage of wet-lands evident in South Australia. This is not the only area concerned with the environment generally, and I refer particularly to the action we would all like to have seen taken many years ago to preserve considerable varieties of our natural fauna. Nevertheless, over the past 10 years we have seen a dramatic increase in the number of national parks and areas set aside for the conservation of our native fauna. The priorities that have prevailed in the past have generally been of an urgent nature: the funds provided for the purchase of national parks or conservation parks have mainly been used for the immediate purchase of lands that were under threat, lands which were on the market, which had a special influence on bird or animal life, and which, because of the features contained within those areas, had to be purchased. Regrettably, we have not been able to set priorities and list those national parks and conservation areas we should have been purchasing. Rather, we have been purchasing areas as a result of an urgent situation to ensure that they are maintained and not purchased by someone else for development and thereby destroyed as conservation areas. However, I think that the honourable member who moved the motion will appreciate my telling him that, now that we have about 150 national parks and conservation parks, we can start giving attention to priorities in expenditure. The department has set the top priority for the future purchase of such parks on those areas of wet-lands that have been mentioned and on the areas within the Mount Lofty Range. The honourable member will appreciate that, whilst the wet-lands are important to conserve our bird life, we have about 50 island and inland lagoon conservation parks that also serve in protecting native birds.

A significant point made by the honourable member concerned the need for authorities such as the River Murray Commission to include in their terms of reference the need to provide that biological control be considered in

the workings of such authorities. Earlier this year the Prime Minister, after meeting representatives of State Governments, decided to establish a working party in the River Murray Commission to consider all aspects involved in the future of the Murray River. After that meeting, when the decision had been made public and had been referred to me for comment, I discussed it with the Minister of Works, saying that I considered there was a need to include in the terms of reference of this working party the need for the party to consider the importance of biological conditions in and surrounding the Murray River.

I am pleased that my colleague, with his normal co-operation and knowledge of the importance of wet-lands (there are many in his district), readily agreed to the recommendation. He then referred the matter to the Commonwealth Minister for the Environment and Conservation (Dr. Cass), who also has the responsibility in relation to the River Murray Commission, and that aspect was included in the terms of reference. This will indicate to the honourable member that we in South Australia appreciate the need for an authority such as this to consider the biological factors associated with works of this kind.

Further, to let the honourable member know that the Government is well aware of the problems concerning drainage works and other activities that can have an impact on the wet-lands, I can tell the honourable member that recently, after a discussion with me. the Minister of Works arranged for the Engineering and Water Supply Department to seek the comments of the Environment and Conservation Department when the issuing of licences for drainage works along the Murray River was being considered. Once again, we are ensuring that environmental matters are considered.

The honourable member has said that the Coorong is unique and important from the point of view of preserving many species of our bird life, and he also will appreciate what the Government has done in this regard. Because of the drainage work carried out in the South-East and the changes in the Coorong, we are concerned about retaining the purity of that area and the food cycle of the birds there. To do that, we must know the real reasons for the stagnation at the lower end of the Coorong, and we have referred this matter to the Environmental Protection Council so that it can study the problems and try to tell us what needs to be done. That is another indication that the Government recognizes the value of this sort of area to our ecology.

Mr. McAnaney: It should be improved, not only maintained.

The Hon. G. R. RROOMHILL: Yes, and we are not really sure what is causing the problem. Several theories have been put forward but at present the Coorong is not in such a bad condition that it cannot maintain the bird life on it. If the Coorong deteriorates, the whole structure of the environment there may be destroyed. We hope that action can be taken to improve it, but we must ensure that its condition does not become worse than it is at present. The motion shows the honourable member's concern about the lack of wet-lands, which are controlled by the National Parks and Wildlife Service.

When the Commonwealth Government's national estate inquiry committee met in Adelaide recently, my department made a submission, placing a high priority on the need for Commonwealth Government assistance when a specific area of wet-land is available but when we have not sufficient State funds to obtain it and also continue to purchase the national parks and conservation parks that we have in mind. We hope, as a result of this inquiry, to get assistance from the Commonwealth Government.

I think all members will agree that the former Commonwealth Government's actions in relation to preserving areas that the State Government considered important were not satisfactory. I hope that the Commonwealth inquiry supports my department's submission and that the Commonwealth Government will help increase the rate at which we are purchasing wet-land areas. Although I agree entirely with the honourable member, I believe his motion creates difficulties in its present form, so accordingly I move to amend the motion as follows:

To strike out "all remaining" and insert "substantial areas of".

The reason for this amendment is that to accept the motion as it stands would place an obligation on the Government to purchase all remaining wet-lands. I think the member moving the motion would appreciate that many small and insignificant wet-land areas do not serve a useful purpose. Although I certainly accept the need for us to maintain substantial areas of the wet-lands remaining, I believe that to carry the motion in its present form would create unnecessary difficulties if the Government intended to accept the proposal in the spirit in which it has been moved.

Mr. NANKIVELL (Mallee): I commend the member for Chaffey for moving this motion and I also appreciate the attitude adopted by the Minister in accepting in general principle the things the member for Chaffey is seeking to have recognized. Substantial areas of wet-lands which may be considered for preservation still remain in the Murray River area and in parts of the South-East. I accept the Minister's amendment as being a sensible one because, although it would be impossible to direct that all such wet-lands be made into reserves, specific areas could be made into reserves. I think the amendment would achieve the objective of the motion.

I think one of the problems of wet-lands in South Australia is that we have not been conscious of water being anything other than a problem; it has always been something that had to be removed. The major South-Eastern drainage projects were designed about 1907, although I believe the Baker Range drain was built in 1890, to make the land arable and suitable for agricultural purposes. When we ran into problems of soil erosion, we quickly told the landholders not to touch the land without consent. We recognized soil erosion as a problem but, tragically, we did not recognize over-drainage as a problem. We did not take the same positive action to protect areas, and even today we are not protecting certain areas that are the natural habitat of wild life. Such areas are still being cleared, and I believe the most recent drainage has occurred this year at Jaffray swamp, near Padthaway. This swamp has been a breeding ground for ducks, the freckled duck in particular. A new landholder, because of the encouragement provided by way of income tax concessions, has cleared the land adjacent to the lagoon. The lagoon has since dried up. It has been used by cattle for drinking purposes, but it has ceased to be suitable as a breeding ground and as an attraction for the wild life that originally inhabited that area. In 1965, I caused a controversy—

Mr. Millhouse: But you are always controversial.

Mr. NANKIVELL: —because, while I was Chairman of the Land Settlement Committee, the committee recommended that Bool Lagoon be retained and regulated as a ponding basin and be set aside as a wild life or game reserve.

Mr. Millhouse: But couldn't it—

Mr. NANKIVELL: This caused no end of comment from local people who had looked on it as a natural shooting area. There were several shoots to which restricted numbers of people were invited and I think that, had the committee not acted as it did at that lime, the swamp would have been drained, because that was the recommendation made to it in conformity with the long-term drainage plans that were originated by a Mr. Stewart, of the Engineering and Water Supply Department, in 1907.

Mr. Millhouse: Would you—

Mr. NANKIVELL: We could still go further in some areas. The objective has been achieved, but I hope I can add something constructive which I do not think my interfering ex-colleague from Mitcham always does in these debates. I suggest to the Minister that consideration be given to exercising control over existing areas of swamp land that are presently not cleared or developed in the South-East of South Australia and in the lands adjacent to the Murray River. Probably, the present Government's attitude may deter people from developing such land and this may give us the respite we need to review these matters.

As I came back through the South-East last week it seemed apparent that large areas of lagoon and pondage still exist that could be reserved along the lines suggested by the member for Chaffey. I know that similar areas adjacent to the Murray River could be reserved. I believe it is not too late to take action in respect of areas that still remain in their natural state. If we suggest to landholders that before they develop an area they consult with an authority on this matter, just as people who were going to develop or clear land had to consult with the soil conservation authority, it may be possible by so doing to get voluntary protection of these areas, because I think people have not been fully educated as to the extent of the problem. They have not been told that by destroying the natural habitat they are destroying, in the case of non-migratory birds, the breeding grounds of these birds because, if we take away their habitat, such birds do not move anywhere else: they just die. I believe the action taken to retain vegetation alongside the roads that are the routes of many migratory birds, particularly the robins that migrate from Victoria to South Australia each year, has helped preserve them.

However, this is a digression from the matter before the House, which is the preservation of wet-lands. Therefore, the Minister should try to persuade people, who, because they own freehold land, believe they have the right to clear, drain, or develop swamp lands or wet-lands that may, in the long term, be better preserved as refuges for the breeding of wild life and the preservation of fauna in particular, that this land adds much to the aesthetic and economic aspects of agriculture and to the way of life of all South Australians. Also, such people should consider the commercial viewpoint, because no-one should overlook the fact that the ibis has a tremendous commercial value, and that one reason for preserving Bool Lagoon was to maintain the breeding ground of the ibis.

There must be other breeding grounds of some birds that have the same value, and I refer to insect-eating birds. We have reached the stage when we should educate people to understand that all wild life is not something that should be destroyed and that all natural timber is not something to be removed, because we need to consider all these matters in the total context of environment. In future I hope we will take action to preserve those things that we already have, and will not further encourage the destruction of wet-land areas and other areas that I believe we have a responsibility to preserve. I commend my colleague, the member for Chaffey, for moving his motion, and I support the Minister's amendment.

Mr. EVANS (Fisher): I support the original intention of the motion, and I believe the Minister's amendment will retain that intention, except that the motion referred to all wet-lands. We realize, however, that it would be impossible to preserve all wet-lands and the Minister's amendment can therefore be accepted. All members who have spoken have adopted a responsible approach to the situation, but most of them have referred to the South-East and the Murray River areas. Closer to home, we made an error about 10 years ago when we started to drain the metropolitan area particularly along Sturt Creek. At no stage of the development of Sturt Creek did we allow for water meadow areas. We have a concrete drain taking water straight to the sea, whereas it would have been more satisfactory to have constructed water meadow areas at each mile of the first few miles of this creek where the course of the creek levels out from the Darlington area, so that water could soak back into the underground aquifer and at the same time give the water birds that inhabited the area the opportunity to return to the area. Now, we have a concrete drain that takes the water out to sea from that part of the metropolitan area and the Adelaide Hills part of the Sturt Creek catchment area. We had to build a flood dam to slow down the flow in that drain, and this is one instance in which man moved too quickly and did not consider the natural forces in the area.

Another area with which you, Mr. Speaker, would be conversant would be the mangrove swamps of the North Arm and Angas Inlet. We are now reclaiming more of the mangrove swamp areas, but we should be cautious enough not to reclaim that area willy-nilly. One species of insect life that some of your constituents, Mr. Speaker, would not appreciate is the mosquito, but surely this would be a minor inconvenience compared to the overall benefit to be obtained by retaining the mangrove swamp areas. We have tended to abuse this area in recent times, whereas we should retain as much of it as possible.

In the Coorong I believe we are taking too much fresh water from the South-East out to sea, and many people have expressed the opinion in the last five or six years that the drains should be brought north into the Coorong, either by gravity feed, where possible, or by pumping, where necessary, so that the water supply at the bottom end of the Coorong could be replenished. This would allow the bird and fish life to regenerate in that area. No doubt mankind has abused his environment, but we, as Parliamentarians, must act to preserve as much as possible of our wet-land areas.

The member for Mallee, when referring to the South-East, suggested that there still remained wet-lands that could be cleared in future. In the past I have advocated that, if a person is willing to retain native bushland (and that includes wet-lands in their original state), we should not offer an incentive to clear it so that it will not be necessary for the area to be cleared.

On the other hand, there could be an incentive given by way of reduction on council rates (given as a Commonwealth grant that would subsidize the rates) or a concession on income tax to be given to a person willing to retain the area in its native state. It would be too expensive for the Government to reclaim or purchase all such land because it would not have sufficient money, but it could offer a financial incentive for people to retain such land

in its native state. I believe many wet-lands that may be threatened in future, because of the attitude that someone may be able to make a buck by clearing it, could be saved by offering an incentive to leave it in its native state. Perhaps this Government could ask the Commonwealth Government for assistance in offering such an incentive. The average man in the community cannot afford to pay the normal taxes, rates, and other charges imposed, while retaining the land in its native state. Perhaps, as a result of this motion, the Minister may approach the Commonwealth Government and ask for relief for people who are willing to keep native bushland in its original state. I support the motion in its amended form.

Mr. WARDLE (Murray): I commend the member for Chaffey for moving this motion, and also I commend the Minister's slight alteration to it and his support for the motion. I refer to the Sunnyside area, the Coorong, and the Swanport reserve area. In the past year or so the Minister has shown a keen interest in Sunnyside reserve area. It is an area of about 20 acres (8 hectares) adjacent to swamp that has been reclaimed, but in the opinion of many people it is a precious area for preserving the bird and plant life of the river. This is one of the few areas (and it is the best of its kind) in the lower part of the Murray River and, because of the development of Monarto, it has become more precious and should be preserved as a wet area and not opened for private enterprise to drain it and use it for production.

I draw the Minister's attention to this precious area, and I hope that he considers it, because it will be a happy day when the Government finally purchases this part of the lower Murray River area. Having lived near the Coorong for several years and been the District Clerk of the council in whose district it is situated, I believe it is a tragedy that so little fresh water is coming into the Coorong from its southern end. I know the difficulties that have been and are being experienced by fishermen who make their living by fishing in the Coorong.

Concerning a matter that has been referred to in the House previously, I am in favour of providing an outlet from the south-eastern corner of Lake Albert into the Coorong area. I believe that Lake Albert would be kept in a fresher condition as a result, and those members who know the shape and nature of this fresh-water lake will readily understand what I mean.

This work has been costed and reports on carrying it out have been made to the House. As the costs involved have been staggering, I sometimes wonder whether the scheme is too grand and whether a much simpler, less expensive, yet effective scheme could be evolved in connection with the lower section of the lake. I believe that such a scheme would make a tremendous difference to the bird life and fish in the Coorong: fishermen would be assured of a greater fishing resource, and there would be a better supply of food for the bird life. There is no doubt that the Coorong is an attractive area, although it has been made less attractive as a result of the reduced volume of fresh water flowing into it each year. The Minister may have seen a letter to the Editor in today's *Advertiser,* regarding the remarks made by Mr. Bakewell at a recent meeting at Murray Bridge which was attended by about 200 local people to discuss the development of Monarto.

I think the Minister will be aware that the Highways Department intends to transfer the dry dock, which maintains the river ferries, from Morgan to Murray Bridge, and he may know about the large area of river frontage that the department has taken for this purpose. Although I realize that there must be a certain distance of river frontage for the dry dock, why take such an expanse of frontage when, surely, the sheds and equipment in connection with the dry dock could be installed inland, thus involving the use of a narrower stretch of frontage and a greater depth of the inland area? After the committee in question toured the township and environs earlier in the afternoon, it was interesting to hear the remarks made by Mr. Bakewell in the evening. The letter to the Editor states:

Mr. Bakewell also said, "The Highways Department's destruction of Swanport reserve is a shocking example of bureaucratic indifference to the environment."

It is rather tragic that he should have had to make that statement. I hope that the Minister will be able to influence the planning section of the Highways Department to examine whether it is absolutely necessary for so much of the Swanport reserve river frontage to be taken by the department. I know that the Minister will be vitally involved in the scheme under which local councils will make various purchases, and I hope this will be through finance provided by the State Government. I am sure that the three councils concerned will not be able to find $500 000, and the sum required to make these purchases will certainly not be less than that.

Many purchases will have to be made in order that the 250 000 people who will eventually live in Monarto may have access to reserves along the Murray River and to the river itself. Concerning Mr. Bakewell's statement, which is unfortunately a reflection on the department, I hope that the Minister will be able to examine this issue if what is reported is correct. I commend the member for Chaffey for bringing this matter to the attention of the House, and I also commend the Minister for his amendment.

Mr. ARNOLD (Chaffey): I appreciate the consideration members have given to this motion, and I especially appreciate the Minister's consideration and the thought that he has given to his remarks. I am more than happy to accept his amendment, because the main purpose of the motion is to create a greater awareness of the problem that exists throughout the world in this regard. The authorities in America, the United Kingdom and Canada have spent much money in the last 10 or 15 years in trying to repair much of the damage caused over the last 50 to 100 years and, as I have said, the main purpose of the motion is to make Parliament and the people of this State more aware of the need for work to be done in this direction.

Reference was made to the South-East: I think it is unfortunate that so much valuable water there is directed by the shortest route out to sea. A problem is arising in the South-East as a result of the shortage of underground water, and that problem will not be solved if surface water continues to be drained out to sea in this way, without being retained and without allowing the aquifer to be recharged. As the South-East is becoming an important irrigation area totally dependent on underground water, I believe that the South-Eastern Drainage Board will have to examine closely the system of directing fresh water straight into the sea.

Mr. Wardle: This could be applied to Monarto, too.

Mr. ARNOLD: Yes. The motion, as amended, will achieve my object. I am not critical of the work that has been carried out by the South-Eastern Drainage Board: I think it has done an excellent job under its terms of reference. However, in future we will have to give greater consideration to providing permanent wet-lands not

only for the conservation of wild life but for the benefit of the farmer. As the member for Mallee said, it virtually involves biological control. Birds such as ibis play an important part in controlling agricultural pests, and naturally this form of control does not pollute the environment as does the use of pesticides that are creating a major problem throughout the world. I once again express my appreciation to those members who have considered this motion.

Amendment carried; motion as amended carried.

INDEPENDENT SCHOOLS

Adjourned debate on motion of Mr. Millhouse:

That this House disapproves of the intention of the Federal Government to reduce or cut out altogether grants to certain independent schools and is of opinion that the State Government should, by additional grants, make up to those independent schools so affected what they will lose from the Commonwealth,

which the Minister of Education had moved to amend by striking out all words after "That" and inserting the following:

this House recognizing that the recommendations of the Interim Committee of the Australian Schools Commission—

(1) represent a charter for improved educational standards for the vast majority of Australian schools, both Government and non-government; and

(2) that as a consequence for the first time in Australia, all school students can expect in future years to receive an education which will develop their particular talents to the fullest possible extent;

approves the action of the Australian Government in accepting those recommendations.

(Continued from October 10. Page 1165.)

The Hon. L. J. KING (Attorney-General): I understand that the member for Mitcham, who moved this motion, desires to have a vote on it today, and I will not delay that vote to any extent. I support the amendment, because it lays stress on the advantage to be derived by all Australian students from the recommendations of the Karmel committee as accepted by the Australian Government, whether those students are educated in Government or non-government schools. The recommendations of the Karmel committee and the policy adopted by the Australian Government will have the effect, as they are implemented over the next few years, of revolutionizing the approach to education in Australia. The concrete recommendations over the next two years, alone involving an increase in expenditure on education in the Commonwealth Budget of about 92 per cent, indicate what is to be expected in education in the remaining years of this decade. By reason of the terms of the original motion, this debate has turned principally on the issues relating to non-Government schools. I stress that in this enormous transformation in education that is about to take place in Australia the recommendations of the Karmel committee and the policy of the Australian Government in adopting them will ensure that non-government schools play an essential and integral part.

The decisions of the Australian Government ensure that gone are the days when non-government schools were regarded simply as a sort of aberration outside the main stream of national educational effort. The Karmel committee's report and recommendations clearly and unequivocally recognize, as being an integral part of the national educational effort, schools in which parents elect to educate their children outside the Government system. The financial recommendations of the Karmel committee are based on that premise. Therefore, for those who value the right to choose to provide for their children a type of education alternative to that provided in the State system, the Karmel committee's report and the decisions of the Australian Government in relation to it represent a great breakthrough. That fact should not be overlooked by members and people outside who are interested in nongovernment schools and are considering the impact of the Karmel report on those schools.

Mr. Millhouse: Would you care to say something about Mr. Whitlam's undertaking before the election not to reduce any aid? That's the crux of the whole thing.

The Hon. L. J. KING: In addressing the House, it is always an advantage if one is free from the sort of interjection one expects from the member for Mitcham.

Mr. Millhouse: Obviously the answer is "No".

The Hon. L. J. KING: Yes, I prefer to address the House on the matters I choose. If the honourable member wants to talk about something that Mr. Whitlam said he is at liberty to talk about it, and Mr. Whitlam can reply. However, I am interested in education and not in the cheap political points with which the honourable member is obsessed. I am interested in Australian education and in the Government and non-government schools in which Australian children are educated. If the honourable member cannot get his mind above cheap political back-biting and niggling, he would do well to keep his mouth closed until I have finished my remarks and let me get on with something constructive.

When the member for Mitcham chose to get on to his Party-political tack, L was making the point that the recommendations and report of the Karmel committee and the policy of the Australian Government based on it represent a great breakthrough for those parents who exercise their freedom to have their children educated outside the Government system. That should not be overlooked by those who are interested in this type of education. It also represents a great breakthrough for parents who choose to have their children educated in the State system, because all children and parents derive enormous benefits from the new policies adopted by the Australian Government. The historical importance of the Karmel report is that it recognizes all Australian schools in which Australian children are educated as being part of the national effort to provide for Australians a new type of education system. The policies that have been adopted are designed, over the remaining years of this decade, both to improve dramatically and to equalize the education opportunities provided for Australian children.

I think it is of great importance to those interested in non-government schools to recognize the objectives being sought by the Australian Government. These objectives are really two-fold: the diversion to education of an immensely greater proportion of resources of the Australian nation than has hitherto been used for that purpose; and the attainment of equality of educational opportunity. By the year 1979, we should nearly be able to say that all Australian children have an equal opportunity in life so far as education can give it to them. I recognize that parents associated with certain non-government schools whose grants have been discontinued have experienced great disappointment that this has occurred. It is natural for them to feel this. It is not easy for people interested and involved in a certain school to see the broader picture. It is not easy for them to appreciate that their children are already receiving a standard of education that exceeds the objective which the Karmel committee aims at for other children in the community as far ahead as 1979.

Mr. Mathwin: Breaking them down to one level.

The Hon. L. J. KING: If the honourable member lets me get on with what I am saying, we will get to the stage more quickly when he will have an opportunity to vote on the motion, as I am sure he is eager to do. I think that parents of children who are attending schools that have lost their grant as a result of the Karmel committee's recommendations and the decisions of the Australian Government must look the matter squarely in the face: generally speaking, their children are attending schools with a long and proud tradition. The schools have inherited a tradition originating in England, and they have geared and equipped themselves, by their traditions and by their financial resources—

Mr. Mathwin: What about the hard work of the teachers?

The Hon. L. J. KING: —and the hard work of the teachers and of the parents, to educate students attending them to a standard that far exceeds the standard of education enjoyed by other children in the Australian community. By reason of the quality of education provided and the social contacts involved in attending a school where the other students are the sons or daughters of influential and often wealthy people in the community, the children who attend those schools have a great advantage in life over other children in the community. They are in a position to dominate to a great extent leadership in the professions, in business, and, indeed, even in certain political Parties.

Mr. Millhouse: What conclusions do you draw from that?

The Hon. L. J. KING: Parents of children who attend those schools must recognize that their children, by reason of these factors, have an advantage in life which other children in the community do not have, and it is one advantage that tends to perpetuate itself from generation to generation. My view is that it should be a prime objective of national policy to devise an educational system that will afford to all the other children in the community the same opportunities in life as the children who attend those schools receive.

I make no criticism of those schools; on the contrary, I express the highest admiration for their standards of education, not only for the way in which the children receive an adequate intellectual formation but also for the way in which they receive a formation of character that stands them in good stead throughout their lives. I want to make clear that I regard those schools as worthy of the highest praise. They enjoy a high educational standard of which they have every reason to be proud, but it is important that they recognize that they are in that position and also recognize that the children who attend such schools have advantages that other children do not have.

I believe it is our duty to see that the resources of this country that are available for education are used in such a way as to provide those same opportunities to other children in the community and that they be used in accordance with the needs of the schools in a way that will have the effect of reducing inequalities of educational opportunities, not intensifying them.

Mr. Mathwin: You want to grade them down?

The Hon. L. J. KING: It would be entirely unjustified, in my view, to continue the system of providing financial assistance that obtained until this year, namely, of distributing financial assistance on a per capita basis, because the inevitable consequence of that is that Government financial assistance operates to intensify inequalities of educational opportunities; indeed, I believe that this is coming to be recognized almost universally. Not many people are now willing to repudiate educational need as a criterion of the distribution of Government financial assistance. True, many say that there should be some minimum provision for all schools, that one should build on that according to need, but I do not believe that many people in the community are still willing to maintain adherence to the outright per capita system and the glaring inequalities resulting from that system.

Mr. Mathwin: You are getting down to the Swedish system.

The Hon. L. J. KING: For such a remark to be made to a member of this House who has five children, all of whom have been or are being educated at a non-government school, indicates that either the honourable member does not possess a mentality or he does not choose to use it.

Mr. Mathwin: That's what happens in Sweden.

The Hon. L. J. KING: If the honourable member wants to debate the Swedish educational system, let him debate it with a Swedish member of Parliament, because I am concerned with the policy of the Australian Government and the education system that operates in this country.

Mr. Mathwin: You are following Sweden.

The Hon. L. J. KING: I suggest that the honourable member go to Sweden to debate that system with someone there, especially if provision is not made for the return part of the journey. Those who are concerned about the future of non-government schools in Australia would do well to understand that what has happened in the recommendations of the Karmel committee and their adoption by the Australian Government is that non-government schools have been recognized as an integral part of the Australian school system.

I can understand the disappointment of those who have had grants discontinued, but it is incomprehensible that anyone who honestly claims to believe in the freedom of choice of parents (that is, the freedom of parents to educate their children in a way that is alternative to the State system) should turn their back on the recommendations of a committee which for the first time has ensured that in the years to come children who are educated in the State schools will receive the same educational opportunities as those who have opted for the non-State system. The truth is that most of the children who have been educated in Australia in past years (certainly since the Second World War) in Government schools have been educated at an educational standard substantially below that which obtains in the non-government system. That was recognized clearly by the Karmel committee.

Those who seek to place in jeopardy the recommendations of the Karmel committee are placing in jeopardy the whole future of the education of children in non-government schools in Australia. Just before the last Commonwealth election people who claimed to be interested in the Catholic school system in particular went around the country telling the parents of children attending Catholic schools that, if a Labor Government were elected, it would set out to destroy those schools, and that would be the end of Catholic schools. Of course, when they were faced with the adoption by the Australian Government of the Karmel committee's recommendation that an enormous increase in financial assistance be provided to those schools because of their great need, those people were nailed as the liars we had said before the election that they were.

Those people were placed in the position of having to endeavour to justify the false rumours and stories they had spread, and they have now come up (at least one of them has, and I suspect a few rumour and gossip mongers are supporting him) and are saying that this is all one big trap, that the Government is still going to destroy the schools, but it is going about it in a funny way by providing the schools with much more money, and that those involved should not be deceived by the getting of more financial support, because it is all a cunning trick to get rid of the Catholic schools. Thankfully, human credulity goes only so far, and that story is not being bought by people in the community who are able to exercise their thinking powers.

I recognize that some parents are disappointed in the outcome of the Karmel committee recommendations, as the schools attended by their children have lost their grants. I recognize, too, that teachers in those schools, those associated with them, and those who have strong emotional ties with them naturally feel disappointed. However, everyone who believes that the children of Australia should have the maximum equality of educational opportunity must support the recommendations of the Karmel committee and the policies adopted by the Australian Government because, if those policies can be implemented at the rate that is planned, by the end of this decade we will be able to say, regarding the provision of educational facilities, that all Australian children will have an equal start in life and an equal opportunity to influence the development of our national life, as well as the maximum opportunity to develop their own faculties and potentialities. For those reasons, I support the amendment.

Mr. McANANEY (Heysen): Only last Saturday I attended a function at a private school, at which the parents did much work and raised a large sum to keep their school going. Although the facilities at that school are superior to those of most State schools, its buildings are not up to the standard of State schools. The Chairman of the school committee said that, because they had raised such a splendid sum of money that day, the per capita grant for the school would be reduced.

Mr. Mathwin: That kills initiative.

Mr. McANANEY: That is so, and it stops parents from being in close touch with their children, which is wrong. We have a system of income tax under which we pay according to our ability to pay. Surely, after paying tax according to our ability, we should all be treated equally and not be told by the Government what to do with the money we have left. One educates one's children with the money one has left, but one is dictated to by a committee which adopts a hit and miss method regarding the grants to be made to independent schools. Although the committee members may be experts, they cannot assess the true position of certain schools, and they do not know what sacrifices the parents of children attending that school have made.

Like the Attorney-General, I have five children. At one stage four of my children were attending college and one was attending university. This was costing me more than I was earning, so I realize what is involved. People are not being rewarded for what they are willing to put into things. Although the Minister may think this is a joke, I think some of his suggestions this afternoon were basically dishonest.

Mr. GUNN (Eyre): I support the motion. If parents decide to send their children to private schools, they must make considerable sacrifices: they are treated in the same manner as everyone else when they pay their income tax or the other indirect charges levied against them by the Commonwealth and State Governments. The Commonwealth Government has a responsibility to contribute to all private schools in Australia. I do not believe these schools should be discriminated against in the manner recommended in the Karmel report. That report, which left much to be desired, is yet another example of how people have not properly thought about the result of their ideas. For this I blame not those on the committee but its terms of reference, which I believe were rotten. Indeed, they left the committee little room in which to manoeuvre, and it was obvious that the committee was instructed by the Prime Minister to report in the way it did so that he could discriminate against the so-called wealthy schools.

The Attorney-General this afternoon attempted to put up a smoke screen, and failed to answer the questions that have been raised. The recommendations of the Cook committee were far more responsible, recognizing as they did the need to assist private schools. That report could be used as a yardstick. The amendment is nothing more than a facade to promote the short-sighted attitude of the Government in Canberra.

Mr. Mathwin: It's a sham.

Mr. GUNN: That is so, and I hope members will act responsibly and support the motion, so that every parent in this country will be treated alike and so that those people who, for many reasons, must send their children to private schools will not be discriminated against. Many people are forced to do this, and it is obvious that those members who have such a dislike for private schools have not examined the matter sufficiently. Had they done so and looked at the matter with an open mind, they would think differently. I have heard members, particularly the member for Tea Tree Gully, express views that are illogical. Their judgment is clouded by their unfortunate attitude towards people who have attended private schools.

Mr. McRAE (Playford): I support the motion as amended, for the reasons indicated by the Attorney-General, and I rise only to indicate my support for this country's system of independent schools and to express the hope that we will never reach the stage obtaining in America and other countries, where there are independent schools for children of the elite only. Unlike other members who said they would be brief but were not, I have placed my views on record. My reasons accord exactly with those of the Attorney-General.

Mr. MILLHOUSE (Mitcham): I was surprised and delighted with the number of speakers who took part in the debate, and I appreciate the support I have received for the motion. I have said in many debates in this Chamber that the most eloquent admission of points made in a debate is that one's opponents ignore them and refuse to debate them or try to answer them. They hope that because of their silence the point will be forgotten and overlooked; further, they hope that the points that they want to talk about (even if they are entirely irrelevant) will prevail. They hope that, in that way, they will put a good face on their opposition. We have seen at least two examples of that in this debate. I said straight out at the beginning of my speech what the motion was all about and why I was moving it. I said:

> The aim of the motion is to make up for what I regard as a most disgraceful breach of faith by the present Commonwealth Government: the withdrawal of Commonwealth per capita grants from some independent schools despite an undertaking that this would not be done. I do not intend to debate the merits and demerits of Government aid to independent schools except to say that I believe in it.

I could not (in any way known to me, anyway) have stated more clearly the aim I had in moving this motion. It has been obvious to me that members opposite acknowledge the force of my aim and of this motion by their steadfastly refusing to face up to that point. The Minister of Education, in the course of what must have been a very tedious speech (it was certainly a very long reply to my speech), said not one word on the point. It was not as though he had forgotten or overlooked it, because the Leader of the Opposition (curiously enough) in this case brought him to the point. This is what he said, by way of interjection, during the Minister's speech (at page 589 of *Hansard*):

I'm referring to the statement that the Commonwealth will not disadvantage any school.

The Minister replied:

I am not responsible for all the statements of the Commonwealth Government any more than I am responsible for statements made by Opposition members or their confreres.

So, the Minister's attention was drawn to the point I expounded in my speech. I gave chapter and verse for what the Prime Minister said before the last Commonwealth election at a meeting in Melbourne. The meeting was taped, and the tape was later played in Hobart. The present Commonwealth Minister for Education also said that no school would be worse off if the Labor Party won the election. That point has not been answered by members opposite. This afternoon the Attorney-General spoke in this debate, and I thought it only fair, even though it was a technical transgression of Standing Orders, to bring him, too, to that point, because he was steadfastly ignoring it. All I got was abuse, and it was obvious that he, too, was not willing to face up to the point. Why? He was not willing to face up to it because there is no answer to it, and members opposite know that. The Prime Minister gave a solemn undertaking before the last Commonwealth election that no school would be worse off if the Labor Party won the election, and now he and his Minister for Education who gave a similar undertaking, have broken it. There are some schools which, if the Commonwealth Labor Government has its way, will be worse off. Silence from the Government side is the most eloquent admission of the strength of an argument from the Opposition side, and there has been complete silence in this connection.

The Hon. D. J. Hopgood: Do you—

Mr. MILLHOUSE: The Minister does not deny what I have said. Let him deny that the Prime Minister said this when he was Leader of the Opposition. It is significant that the Minister does not take up the challenge. He indulges in back chat with other Government members, but he will not take up the challenge because he cannot take it up, nor can the member for Stuart or any other Government member. In his reply the Minister of Education said that over a period of two years an extra $467 000 000 would be spent in Australia on education as a result of the Karmel committee's findings. I estimated in my speech that making up for what the Commonwealth Government is, I believe disgracefully, taking away from some schools would cost about $500 000, and the Minister of Education did not deny that in his speech. If anything, the amount would be less than that, because I estimated that there were 5 000 children in the schools affected, and the Minister talked about 4 500 children. But the money aspect is a flea-bite: $467 000 is about 1/400th of the extra amount being spent on education. So, it cannot be the money that is the reason.

The Attorney-General, in his dogged attempt to keep the debate general and on the Karmel committee's report and on the general question of State aid to independent schools, said that there was a rumour around that the aim of the Australian Labor Party was to ruin these schools. I do not know about that: I think there is more in it than the Attorney-General would admit. I am glad that the member for Elizabeth is in the Chamber because he, by interjection, in my view gave the truest example and exposition of the attitude of members opposite that we have had in this debate or that we could get from the A.L.P. His interjection is recorded at page 469 of *Hansard,* and it will be interesting to see whether any of his colleagues will, in his presence, deny what he said or that it showed his attitude. His interjection was made during the speech of the member for Glenelg (and I appreciated his support), who said:

Those to be really punished by this type of legislation are the people who send their children to these schools at great personal sacrifice, and this situation applies to many people.

I fully agree with that. The member for Elizabeth then interjected:

They are all two-bob snobs.

The member for Glenelg replied:

That is a nice thing coming from the member for Elizabeth. How was the member for Elizabeth taken through University?

I then interjected:

That is the best interjection we have had so far!

I made that interjection because I believed that in the honourable member's interjection we got *ex tempore* the real attitude of members opposite to independent schools. When the honourable member made his interjection he was pouring contempt on parents of children in independent schools, on the children who go to those schools, and on the schools themselves, because there is no greater insult that he could pay to those people than to call them two-bob snobs. I challenge members opposite to say whether they accept the interjection of the member for Elizabeth or whether they deny it. There is not a word from members opposite, so we must take it as a true exposition of their views on independent schools—that those who send their children there are two-bob snobs. I believe that that is the key to the attitude of the A.L.P. on this matter, and it sums up what I said in my original speech about tall poppies, and so on. We heard it from the mouth of an articulate and intelligent Labor Party member in this House. Not one of his colleagues is game to deny the statement, although most of them are in the Chamber at present. That is the attitude of the Labor Party to independent schools.

It may be said that the matter has lost its urgency since I moved this motion late in August. I understand that, since I moved it, it has been decided to allow category A schools that are being disadvantaged to appeal to the committee. This is one way in which the Commonwealth Government can save face in view of the explosion of indignation that has occurred since the report was made public and that Government's decision to cut off this aid was known, so we can be thankful for that, even though the Commonwealth Government is cloaking its decision by suggesting that headmasters and headmistresses in the schools concerned were not sufficiently intelligent to be able to fill in a form properly and gave the wrong information. The schools require the money, and I take it that the headmasters and headmistresses will accept a threat like that, in the interests of the schools, so we will not say more about that: it is a matter of politics.

Another reason why it may be said that the matter has been forgotten is that since that time the Commonwealth Government is doing so badly in so many other spheres, such as regarding the referenda on prices and incomes, etc., that this matter is now comparatively insignificant. Perhaps it is insignificant, but I ask the Attorney-General to speak to his friends and fellow parents of children at independent schools about the matter. It is significant to the parents of the 4 400 children attending schools that will lose the grant. Honourable members opposite would not say that, because obviously it would be damaging to admit it. However, this is significant to these people. The people concerned are entitled to accept an undertaking given by the Leader of the Attorney-General's Party and one of his senior colleagues about what would happen if that Party won an election. Why should the people not accept that? Why should this Government not do something now to make up to these people for the breach of faith by this Government's own Party?

I oppose the amendment, because it is merely a whitewash of the Commonwealth Government and avoids completely the point of the motion, which I hope I have made clear now anyway, as I thought I did previously. The only thing that the State Government can do, if it is honourable and cares about honouring an undertaking, is to make up for the breach of faith by the Commonwealth Government and ensure that no school, at least in this State, is worse off because a Commonwealth Labor Government was elected last December. The amendment expresses approval of the Commonwealth Government's action. I cannot express that approval and I hope other members also will refuse to do so. I urge support for the motion in its unamended form, but if it is amended I will vote against it.

The House divided on the amendment:

Ayes (24)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Corcoran, Crimes, Duncan, Dunstan, Groth, Harrison, Hopgood, Hudson (teller), Jennings, Keneally, King, Langley, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, and Wright.

Noes (18)—Messrs. Allen, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick, Evans, Gunn, Mathwin, McAnaney, Millhouse (teller), Nankivell, Russack, Tonkin, Venning, and Wardle.

Majority of 6 for the Ayes.

Amendment thus carried.

The House divided on the motion as amended:

Ayes (24)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Corcoran, Crimes, Duncan, Dunstan, Groth, Harrison, Hopgood, Hudson (teller), Jennings, Keneally, King, Langley, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, and Wright.

Noes (18)—Messrs. Allen, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick, Evans, Gunn, Mathwin, McAnaney, Millhouse (teller), Nankivell, Russack, Tonkin, Venning, and Wardle.

Majority of 6 for the Ayes.

Motion as amended thus carried.

ELECTORAL ACT AMENDMENT BILL (VOTING)

Adjourned debate on second reading.

(Continued from August 29. Page 592.)

Mr. COUMBE (Torrens): I support the Bill. I have spoken on this subject before in the House, and I do not suppose that this will be the last time. Many electoral matters have been discussed in the House in recent years. This Bill contains a basic principle: we are talking about voluntary voting versus compulsory voting, as presently exists. I support voluntary voting for the House of Assembly, and that is what the Bill is all about. In his second reading explanation, the member for Mitcham quoted from Finer, who has been quoted numerous times in the House. I recall that the former member for Elizabeth (Mr. J. S. Clark) often quoted Finer's book, which is authoritative on this subject.

On August 15, in his second reading explanation, the member for Mitcham quoted Finer by saying, in effect, that people should not be forced to vote if they did not want to vote. After developing that theory, Finer says that it makes it easier for political Parties if people are compelled to vote; therefore, it tends to make political Parties lazier. Let us not worry about that aspect, but stick to the important principle of "voluntaryism" which the Opposition has adopted. Young people today take a far greater interest in politics than did young people even a decade ago. The system of allowing 18-year-olds to vote may have had some effect, but more and more children are now obtaining secondary education and many more are continuing with tertiary education. The influence of radio and television must be considered, and programmes such as *Federal File* are now viewed by many people. Young people are asking questions about political matters that were not the concern of that age group 10 years ago. We notice in the school groups visiting Parliament House that many young people are taking more interest in politics.

Young people seem to be better informed these days, and do not want to be forced to vote. The Attorney-General trotted out the usual arguments used by his Party, but what has the Government to fear by the introduction of the principle outlined in this measure? It must be afraid of something. Should the Government force people to vote, and then impose a penalty if they do not vote? This Bill provides that voting should be voluntary. Australia as a nation (and South Australia is an important part of it) is unique with its system of compulsory voting for Parliamentary elections, and only a few other countries have a compulsory voting system for such elections. Is our system perfect? Are we to assume that other countries are wrong? The only argument advanced by the Attorney-General against the principle of voluntary voting is that it would favour the Liberal and Country League Party, because it is alleged that that is a wealthy Party. Apparently, those who do not belong to the Labor Party must be wealthy!

Dr. Eastick: It almost suggests that the Labor Party does not get a rake-off from the unions.

The Hon. L. J. King: You are getting beaten under the existing rules, so you want to change the rules: it's as simple as that.

Mr. COUMBE: A Minister in Canberra is ascertaining details of other systems of voting and is now suggesting a form of electoral expenses. We live in a democracy: is it more democratic to force citizens to vote against their will, or is it more democratic to provide them with a free choice of whether or not they wish to vote? That is an important question, if we profess to be democrats. We are not referring to the last century in the United Kingdom with its rotten boroughs: we are speaking of 1973.

The Hon. D. J. Hopgood: This State has seen a few rotten boroughs in its time.

Mr. COUMBE: We are not referring to a gerrymander or the present system that is alleged to be one, but we are speaking of citizens' rights and the right to register a vote, or not register one, as they choose. Those who take an intelligent interest in important matters always vote in a

voluntary system, but today many people are forced to vote even though they do not want to vote.

The Hon. D. J. Hopgood: They could vote informally.

Mr. COUMBE: A responsible Minister of the Crown has suggested that people should vote informally: now I have heard everything.

The Hon. L. J. King: He did not recommend that they vote informally: you heard what he said, and you should not misrepresent it.

Mr. COUMBE: We are referring to 1973, at a time when we are suffering more and more under the dictates of compulsion. The Labor Party's attitude to citizens seems to suggest that the people are told to do this or that, because an aura of compulsion seems to surround all legislation that is being introduced. Where is our free choice in this State? It seems to be disappearing down the drain under the auspices of the present Government. Therefore, I have pleasure in supporting the Bill.

Mr. CHAPMAN (Alexandra): I support the members for Torrens and Mitcham in their efforts to provide the people of South Australia with freedom of choice in relation to voting.

Mr. Max Brown: What about Bill Snedden?

Mr. CHAPMAN: When the rude interjections cease, I will continue. While the member for Torrens was speaking, the Attorney-General, by interjection, said that the Opposition cannot win under the present system, so it wants to change that system. On August 15 this year, when the member for Mitcham was giving his second reading explanation, the member for Stuart interjected, "All this was debated 20 years ago." I ask members to think about which Party was in Opposition 20 years ago. It is perfectly obvious which Party was in Opposition then and why it was in Opposition. At that time, there was a desire in the community for voluntary voting, so that those who wished to go to the poll could exercise their voting right. There is nothing wrong with a voluntary voting system. I am told that in only two other countries in the world are 18-year-olds compelled to go to the polls, those countries being Turkey and Russia. Do those who support compulsory voting for 18-year-olds here also support policies in those countries?

The Hon. D. J. Hopgood: During the last Parliament, one of your colleagues listed 13 countries that have compulsory voting.

Mr. CHAPMAN: That is for people 21 years of age and older. The Minister should check my comments on this. A voluntary system of voting gives the opportunity to vote to those who are interested in politics and in who shall represent them. As this system works for local government elections, there is no reason why it would not work for elections for this House. Such a system would have the effect of sorting out the wheat from the chaff, or those interested in voting from those who were not. I think it was the Minister of Development and Mines who said a few moments ago that, if people are going to the polls against their will, they can vote informally.

The Hon. D. J. Hopgood: They have that option.

Mr. CHAPMAN: Yes, and they exercise it, for the informal vote is forever increasing as a result of the objection in this State to compulsory voting. I do not expect members opposite to support voluntary voting, as it is against their interests to do so. If this were not the case, they would not raise such noisy objections on every occasion that the Opposition has tried to give people an opportunity to exercise their individual right to go to the poll if they wish or, if they are not interested, to stay home. I support the efforts of the member for Mitcham once again to bring to the notice of the Labor Party the desire of South Australians to enjoy a voluntary system of voting for this House.

Mr. MILLHOUSE (Mitcham): I am grateful for the support I have had from Liberal and Country League members for this Bill, and I am not surprised at the opposition from the Government. The Government favours compulsion with regard to electoral matters, as it believes that that supports it. I think we got the complete answer from an interjection of the Attorney-General, who said that members on this side were not doing well under the present system and therefore wanted to change it. It is rather funny to hear that from a member of a Party that advocates first past the post voting.

The SPEAKER: Order! The honourable member must confine his remarks to this Bill.

Mr. MILLHOUSE: The Prime Minister has said that at a forthcoming election this change will be introduced, if the Labor Party is successful.

The SPEAKER: Order!

Mr, MILLHOUSE: By introducing this Bill, I wanted to make sure that the L.C.L. had not resiled from the principle of voluntary voting. At one stage we had a hard time in this connection, but now the L.C.L. is willing to stick to the principle of voluntary voting, and I am gratified at that. Although I do not expect the Bill to succeed on this occasion, I will continue to advocate this course until I do succeed, because I believe that voluntary voting is the only true and democratic system of voting for Parliamentary elections.

The House divided on the second reading:

Ayes (15)—Messrs. Allen, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick, McAnaney, Millhouse (teller), Nankivell, Russack, Tonkin, Venning, and Wardle.

Noes (23)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Corcoran, Crimes, Duncan, Dunstan, Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, King (teller), Langley, McRae, Olson, Payne, Simmons, Virgo, Wells, and Wright.

Pair—Aye—Mr. Gunn. No—Mr. Slater.

Majority of 8 for the Noes.

Second reading thus negatived.

[*Sitting suspended from* 6.2 *to* 7.30 *p.m.*]

HIGHWAYS ACT AMENDMENT BILL

The Hon. G. T. VIRGO (Minister of Transport) obtained leave and introduced a Bill for an Act to amend the Highways Act, 1926-1972. Read a first time.

The Hon. G. T. VIRGO: I move:

That this Bill be now read a second time.

Its main purpose is to amend the principal Act so as to enable that Act, as amended, to be consolidated. The opportunity has also been taken to convert to their equivalents or nearest equivalents in decimal currency the references in the Act to the old currency and to proportions expressed in the old currency. Clauses 2 and 3 amend sections 12 and 26 respectively by converting references to a proportion and to an amount of money expressed in the old currency to their equivalents expressed in decimal currency. Clause 4 (*a*) makes a grammatical correction to paragraph (*a*) of section 30e of the principal Act. Clauses 4 (*b*) and 5 make conversions to equivalents in decimal currency of references to amounts expressed in the old currency.

Clause 6 (*a*) amends section 36 of the Act by substituting for the passage "four pence in the pound" wherever it occurs in subsection (2) of that section its nearest

equivalent in decimal currency. Clause 6 (*b*) makes a consequential amendment. Clauses 7 and 8 make direct conversions to decimal currency of amounts expressed in the old currency. Clause 9 amends section 39g of the Act by substituting for the reference to the South Australian Harbors Board (which is no longer in existence) a reference to the Minister of Marine in his corporate capacity. Clause 10 makes another direct conversion to decimal currency of an amount expressed in the old currency. The expeditious passage of this Bill will enable the new edition of the consolidated legislation presently being prepared to be brought out without undue delay.

Dr. TONKIN secured the adjournment of the debate.

PYRAMID SELLING BILL

Adjourned debate on second reading.

(Continued from October 11. Page 1213.)

Dr. EASTICK (Leader of the Opposition): I support the Bill, on which I do not intend to speak at length and which effects provisions that have been called for by many members of this House for a long time. I accept and appreciate the information the Attorney-General gave regarding the difficulties involved in reducing to writing the various aspects of such a measure. There are in the community (and one realizes from one's reading that this applies not just in South Australia or Australia but to some degree all over the world) people who are willing to take by devious means the life savings of others. One suspects that, if history repeats itself, some smarties will, despite the Attorney's closing the door as he intends to do with this measure, attempt to find some other way around the matter. On that basis, I accept the breadth of the Bill's provisions, so that there will be flexibility allowing the Attorney or his officers to institute as soon as possible alterations to the regulations that will attempt to overcome any new types of pyramid selling that arise after the passing of this Bill.

I realize that making the Bill as broad and as wide as it is could be contrary to the best interests of definitive legislation, and that it will remove from Parliament the opportunity to scrutinize, and therefore the opportunity to accept or reject, certain aspects of legislation that may not in the opinion of members (be they Government or Opposition members) be in the best interests of the community. However, as alterations will be made in regulations, opportunity will exist for Parliament to scrutinize any amendments. I am not able completely to accept some of the statements made by the Attorney in his second reading explanation. For instance, he said:

> They are generally most attractively presented, those responsible for their presentation being highly skilled in the arts of persuasion and they appear to have special appeal to persons of limited means who frequently, but not invariably, lack business experience.

I do not in any way dispute the Attorney's statements regarding the persuasive powers of those involved in the pyramid selling racket. However, it is not always persons of limited means that are taken down by the various methods employed in this system of selling. Unfortunately, it is a fact of life that many people, including those in the professions, have become victims of the racket because they have had only one thing in mind: to get rich quick. Many people, at all levels of the community, have been willing to accept situations presented to them under which they have believed they would get something for nothing. It is also a fact of life that this rarely happens, and many of them, having decided to involve themselves in pyramid selling, have learnt to their dismay, despite the tertiary education or other expertise in business affairs that they may possess, that they are left with nothing, in exactly the same position as the person with more limited means or fewer academic qualifications.

I am concerned about certain aspects of the matter. For instance, when explaining clause 10, the Attorney said that there was a practice of insisting that purchasers of goods for resale take as a condition of their participation in a scheme excessive quantities of those goods. The inclusion of the word "excessive" without clearly defining it introduces into this Bill a kind of problem that we have discussed many times in the past. I recognize that a decision must be made, but unfortunately it will not be a very definitive decision.

I am concerned about the breadth of the controls covered by the Bill. For a long time a system of referral has been accepted in the insurance industry, and it is still acceptable today to those who have looked closely at sales methods in that industry. I refer not only to life assurance but also to general insurance. Some life offices increase the remuneration of their agents by way of cash or goods when another person is nominated as a potential agent. That system applies in other fields, too, and it is recognized as completely legitimate; the consideration is given when the nominee has accepted the appointment. That has been the normal practice for many years, and it has never led to any complaints in the insurance industry. In those circumstances it can hardly be deemed undesirable or against the public interest.

Also, in the insurance field the normal remuneration of sales managers, supervisors, divisional sales managers and district sales managers includes an overriding commission based on the earnings of the team members. Here, the relationship involving the divisional sales manager or the district sales manager is a continuing one. It is a matter of seeking to have people introduced as members of the sales team only after a member has left the team either for advancement in the insurance organization or for transfer to another form of employment. I am not referring to the situation that often applies in the pyramid selling arrangement whereby a person undertakes work at night after normal working hours or during weekends: I am referring to a continuing relationship, involving a method that has been employed in the insurance industry for a long time.

In connection with clause 9, I point out that in the life assurance industry, the motor vehicle industry, and other industries a spotting fee or a subagents commission is paid to individuals for referrals that lead to sales. It is an integral part of the set-up of some of these organizations to have people who are able to tell a permanent employee within the industry that an individual or an organization is interested in purchasing the product that a firm has to sell. In making this point I am not suggesting that these practices are necessarily covered by this Bill. I want to ensure that, in our endeavours to eliminate those forms of pyramid selling that no member tolerates, legitimate undertakings will not be disadvantaged in any way.

I wonder whether some employment agencies will find themselves controlled by this Bill. I hope that this point has been considered by the Attorney-General. Some employment agencies accept a percentage of the first week's pay from a person for whom they find a job, the filling of that job having been requested either by an employer or by some other agency which has been acting as a go-between for an employer and a business college that maintains a register of people seeking employment. I seek an assurance from the Attorney-General that these matters were considered when he prepared this Bill. Every member will

want to associate himself with the successful passage of this Bill, which will eliminate a system of selling that is against the best interests of the general public.

Mr. COUMBE (Torrens): In supporting this Bill, I say I regret that it has been necessary to introduce it; I think I echo the sentiments of all members when I say that. Unfortunately, members of Parliament have seen far too many tragic effects of pyramid selling in the community. Many people have approached members seeking some redress, but unfortunately in most cases it has not been possible for them to obtain that redress. In addition, warnings have often been given about the malpractices associated with pyramid selling. Unfortunately, these have been largely ignored by, shall I say, the gullible who are talked into this type of transaction by plausible people in our community. We are protecting some people against themselves, and it is a sorry state of affairs when we must do that, but it seems that no option other than the introduction of a measure such as this is available. Warnings given previously have been ignored. I think the member for Semaphore cited a case only this week, and I also have received complaints.

The Australian Broadcasting Commission had an excellent programme on this matter not long ago, showing the tragic results of pyramid-type selling, with a person being left with such large quantities of goods that he could not quit them. This man was facing ruin. The innocent have been left, after thinking they have found a way to earn a living easily, with a large debt and many goods for which they could not get a sale.

I shall deal now with the effects of the Bill and what we are trying to cure. Although this is not spelt out in *Hansard* exactly as I thought I heard the Attorney say it, the Attorney expressed the matter rather well when he mentioned the old mathematical formula about the difference between geometrical progression and arithmetical progression. That is what is happening. This is the geometrical progression that works so much against the participant in this matter.

I appreciate that there has been difficulty in framing the Bill. Apparently, the practices in the United States, Canada and the United Kingdom have been considered, with this Bill being based on several sections of the United Kingdom Fair Trading Act, which came into operation only in July this year. The definition of a pyramid selling scheme is rather involved, and members will appreciate the trouble that the Attorney has had to go to in order to define what this practice really is. If that was not spelt out carefully, some other legitimate type of mercantile practice could be impinged on.

I see that a later provision gives a power of defence against a prosecution, and this seems to be fairly reasonable. Undesirable practices are set out. Like other sections of our consumer protection law, the Commissioner may act on behalf of some people who are affected by this legislation. It is interesting that the Bill provides that matters are to be taken as prima facie evidence of what is alleged to have occurred, and this provision has been drawn fairly widely. In this type of legislation, we must have extensive regulation-making power. Some legislation spells out as exactly as possible what it means, whilst other legislation relies heavily on the regulation-making power in the Statute.

One measure in the latter category deals with the health and safety aspects of the old Industrial Code, and that measure was passed about a year or two ago. Such Acts rely for their operation almost entirely on the regulation-making power in them. I appreciate the Attorney's difficulty because, as the Leader has pointed out, once we plug one hole, someone will find another, and I think Australians are fairly good at finding a way around some laws, particularly the taxation laws of this State. The Bill is largely a Committee one and I hope that, when it is passed, a programme of publicity will be conducted about the effects of the measure and the offences created by it. The penalties are severe.

Mr. Crimes: Do you suggest we put an advertisement in the newspaper?

Mr. COUMBE: I am saying that, when the measure is assented to, it would be advantageous for the Attorney to make a public statement about it. I will not take up the issues that the honourable member who represents the *Herald* has made by complaining about the expenditure of $2 000 on advertisements in newspapers. I have made the point that people who are likely to engage in this business as promoters and those who are likely to be vendors should be warned of the traps. It is regrettable that we must introduce this type of legislation but I support it, because many lives have been ruined by this unscrupulous activity.

Mr. DEAN BROWN (Davenport): The Bill will protect the people of South Australia and it can best be described as protecting the puppets of the pyramid pirates. It is pleasing that all States in Australia are taking action to protect people against these pyramid pirates. Despite the comments of the gentlemen opposite against our friends in Queensland, it is pleasing that Queensland was the first State to take action on this matter. The *Financial Review* of March 27 contains a report that the Minister for Justice (Mr. W. Knox) in that State would act to ban pyramid selling.

That newspaper report points out some of the grave accusations that can be levelled quite justifiably at pyramid-selling organizations. I have also seen newspaper reports that other States will follow Queensland's lead. Our own Attorney-General convened a conference so that legislation on this matter could be uniform. What concerns me (and I was about to ask the Attorney-General a question on this matter this afternoon, but I was ruled out of order) is the necessity to stop the activities of these people now because, during the past two or three weeks, they have moved into this State in force. To quote a specific case, a certain private business, which has registered offices in the eastern suburbs, is selling what are called golden chemical products. The personnel concerned belong to a company called Golden Chemical Products of Australia Proprietary Limited. Since the beginning of last week this company has moved in, established an office (unfortunately right next to mine), furnished the office, including carpets, and conducted a series of about six training courses—all within about seven days. Between 50 and 100 people have attended training courses, and the mind boggles at the sum of money that has been taken from innocent puppets in this State within the last week.

I call on the Attorney-General to make a public announcement, warning the public not to become involved, particularly in the interim period between now and when, if the Bill is passed, it is proclaimed. The Bill allows people to try to regain money or to sue the company concerned for any products that have been purchased since July 1. However, the Bill requires that the products be returned to the appropriate company. In this specific case, two companies are involved: the best-known one is Golden Chemical Products of Australia Proprietary Limited, and another private limited company, in which a certain gentleman is operating; no doubt it is a private company operating under the Golden Chemical Products company.

Neither of these two companies is listed in the Adelaide telephone book or has any registered office in the State as far as I can ascertain. Therefore, it would be difficult for any individual in the State to sue or try to recover moneys from either of the two companies.

The member for Semaphore referred yesterday in a question to yet a third company. Likewise, I imagine that that company would not be listed in the Adelaide telephone book; therefore, it would be difficult to locate the responsible persons and try to recover money from the company. This is why a public statement should be made now, indicating clearly to the people of the State that they should not become involved. I believe it was the clear intention of these pyramid pirates to move into South Australia within the last fortnight and, in the brief period before the legislation was proclaimed, to rob South Australian people of as much money as possible.

Unfortunately, they play on the weaknesses of other individuals; that weakness is exposed by selling to people the notion that there is something wrong with them if they cannot go out and sell a product. Of course, not all people have the natural gift to sell. However, these super salesmen at the top of the pyramid try to convince people that there is something mentally, physically or psychologically wrong with them if they cannot sell. They virtually force them over a cliff. Anyone will appreciate that, in a given market, there is only a certain demand for a product; therefore, supply must be matched to demand. The people at the top of these pyramids fail to tell people that the actual market in which they try to sell the product is limited.

Now is the appropriate time to introduce this legislation. Unfortunately, many South Australians have already lost considerable money and many South Australians will probably lose money between now and when the legislation is proclaimed. I urge the Attorney-General to make as much public noise as he can to encourage people to stay out of pyramid organizations. I suspect that the people who conduct pyramid organizations are running around, throwing this legislation up to people and saying that they can come back and claim on the organization as from July 1; but what the poor unsuspecting victims do not appreciate is that there will not be any company around to claim against or to sue when they return with the product. I support the legislation and hope that the Attorney-General will make a public statement such as I have suggested, and hope that this legislation will pass through this Chamber and through another place as quickly as possible. This Bill, as it protects puppets from the pyramid pirates, is fitting and necessary legislation.

Mr. McRAE (Playford): I support the Bill and echo the sentiments expressed by the member for Torrens. I propose to be brief (and, as members will recall from this afternoon, when I say brief, I mean brief). I make only two points: first, the term coined by the member for Davenport, namely "pyramid pirates", is colourful and appropriate, but these people could better be described as criminals. What we are debating is a Bill that deals with criminals. That raises an immediate problem, because if members study the evidentiary provision of clause 11 of the Bill, they will note that a reversal of the usual onus of proof is contained therein. Were the member for Mitcham present this evening and speaking in the debate, I have no doubt that he would draw attention to that provision.

Having said that these people are criminals, I will now, by one illustration, demonstrate that they are criminals who justify the inclusion of the provisions of clause 11. Unlike some Opposition members, I am not so completely sure that members in another place will be convinced, as we are, that this Bill must be passed. I refer to the case of a constituent of mine, an immigrant who, during 12 years in this country, accumulated life savings of $4 500. Also, he had paid off the mortgage on his house. He was persuaded by one of these criminal groups (I think it was Holiday Magic) that he could be a super-salesman. When he came to see me I saw the sort of person who would have grave difficulty in accepting cash over the counter in a retail store, let alone be a super-salesman. The criminals had persuaded him that a psychological blockage that he had allowed to grow in his mind had caused him to be a failure up to that point, but that he would be a success as a result of their assistance. The group invited him into the scheme.

When they first saw him he had paid for his house, was living happily in it with his wife and children, and had $4 500 in the bank. When he saw me the $4 500 in the bank had gone, and his house was mortgaged for $3 000. The products that this so-called super-salesman was supposed to sell were piled up in his garage, because he did not have the capacity to persuade anyone on anything, let alone to dispose of these goods allegedly worth $7 500. That was the disgraceful state of affairs that I found. I contacted the Companies Office to try to have something done, but nothing could be done, and I advised the man to cut his losses quickly before he lost anything more. That is one tragic instance of what these criminals have done, and every member could point to other examples. That is a vivid one that sticks in my mind and shows how that man was broken. As I have indicated, there is a trap because, by treating these people for what they are (that is, criminals) we must be careful under the law to be sure we can justify the reversal of the onus of proof. Because of the insidious and cunning nature of the transactions of such people, the provisions of clause 11 are more than justified.

Every member knows that, in order to rid the State of these criminals, we must have legislation as Draconian as that which dealt with the situation that obtained in the District of Eyre, when a set of criminals used bugging devices and binoculars to jump mining claims. That Draconian legislation was objected to by the member for Mitcham, but in the present case we have to get rid of these people. The Attorney-General has made many public statements about the activities of these companies. With respect to the member for Davenport, and other members, I doubt that further publicity will save further victims. What is needed is heavy, insistent, and persistent prosecution of these people, and also perhaps a check on the sort of registered office that is being named. The member for Semaphore yesterday referred to a company whose registered office was given as the Hilton Motel, which is a respectable organization. Other fictitious addresses—

Dr. Tonkin: It is not fictitious; it is there.

Mr. McRAE: The motel is a respectable one, but that could not be said about the organization that used the place as an office. What may be needed is an amendment to the Companies Act to give Draconian powers to the Registrar of Companies in order to stop these people from using these addresses, false in some cases, or in other cases motel rooms in which hoods from the United States and Canada hang out until they have fleeced the South Australian public and then move to the next unsuspecting State. I have no hesitation in vehemently supporting this legislation.

Dr. TONKIN (Bragg): I think the honourable member for Playford under-estimates the local talent when he refers to hoods from overseas.

Mr. McRae: I said there were a few from overseas.

Dr. TONKIN: There may be one or two, but I believe some people in South Australia are eminently qualified to take advantage of these schemes. The whole business is summed up by the experiences of most people in life. When I was small I received a chain letter suggesting that, unless I sent off six or so copies of the letter to other addressees, I would have the most terrible bad luck. Later, when I was older and controlled my pocket money, L received another form of chain letter suggesting that I send 10/- with the same letter to other people, as that would perpetuate the chain. Then, I would receive countless numbers of 10/- notes from these grateful people.

The chain letter is as old as time, and I abhor the technique because it tends to trade on friends. When my wife was younger and more gullible than she is now, she went to a Tupperware party and, because she thought that she was obliged to buy something as it was an evening held by one of her friends, she spent money on something she did not need. This is the technique of marketing by the use of friends. It has existed for many years, but has not been as well organized as it is now. The member for Davenport referred to the activities of Golden Products. I share an office with him in my district that is upstairs in Toorak Village Arcade. For some time a large area in the front of the building has been vacant, but three weeks ago it became the scene of intense activity, with workmen running all over the place, knocking out walls, putting beautiful carpets on the floor, and filling a large room with chairs.

The Hon. L. J. King: Did you think it was the L.M.?

Dr. TONKIN: No, because this accommodation would be far above the capabilities of the L.M. Outside the office is a directory with various areas noted on it and having space for advertising. Surprisingly, there was no sign. I had had one or two representations from people in other shops who wanted additional advertising space, but it so happens that the agent has carefully calculated, under the Burnside council regulations, the permitted amount of advertising space, and everyone gets what he is entitled to. These people had been anxious to get more, and I could understand their concern. However, the new people seemed anxious not to advertise at all. The interesting thing was that, although the area was finally set up with carpets, curtains and everything else, there was no name anywhere and no-one seemed to be there in the day.

It was only when I went back during the evening that I found they had their greatest period of activity then, with many people attending. When I made inquiries about this, [was told it was a staff training college. That sounds good. It could be business management or one of many worthy, highly reputable courses. My information is (and I must hedge here to the extent that I do not know this for certain) that the room next to our district office, although separated by one small office, has been taken by Golden Products. The people invited there every evening are being brainwashed into joining a pyramid scheme. The Attorney has laid this matter on the line. These people will be brainwashed into a pyramid selling scheme for, I think, soap powder or something like that. What gets my goat is the insidious way in which these people inveigle themselves into the confidence of unsuspecting members of the public.

The member for Davenport has said this evening that perhaps the Attorney should make more fuss about this, making a song and dance at every opportunity. For the life of me, I cannot really see that this would help, although he has not tried all that hard.. To be fair to him, I do not think he has had the opportunity, but there has been a tremendous amount of publicity in the press. It has been stated that pyramid selling is an American-based system under which sellers are encouraged to increase their sales of products, or franchises for products, so that they will gain extra selling outlets and move higher up the pyramid. In other words, what happens is that a few people on the ground floor sell the right, with strings attached, to sell more of the products, so that every further concession sold kicks back to them in terms of financial advancement. Eventually, as with the chain letter, it runs out. It must run out; it is mathematically impossible for it not to run out. Who is left holding the baby and hundreds of thousands of dollars worth of stock, with no prospect whatever of making a sale? It is the little man who has been gullible enough to be conned into this whole scheme.

There have been the following newspaper headings about this matter: “Pyramid Selling Warning”; “Pyramid Bait for Teenage Girls” (girls were inveigled into selling cosmetics); and “Pyramid Selling ‘Like Hydra’” (an article dealing with the Victorian Government’s programme to outlaw pyramid selling). In Queensland, the Minister (Mr. Knox) talked about “Dare to be Great”. Tn South Australia, there was talk of a ban on pyramid selling in July, and the Attorney-General certainly made his mark with that publicity. Another headline reads “Pyramid Sellers on March Again”, and that refers to South Australia. The article states that handwritten cards have been left on the windscreens of cars and in letter boxes, offering people part-time work at between $80 and $100 a week. This is another feature. These people are never honest about what they intend to do; they attract people to the staff training colleges on the pretext that they will learn to be salesmen or saleswomen. There they are to learn to sell and make $80 or $100 a week. As soon as they get to these courses they are brainwashed and—

Mr. Dean Brown: Fleeced.

Dr. TONKIN: Yes. They are brainwashed into making a commitment which they cannot afford and which they cannot hope to recoup. This is less than honest: it is immoral and totally wrong. The member for Playford referred to these people as criminals. I do not want to discuss the awareness of responsibility of people who commit crime. However, I believe that some of these people have been so thoroughly brainwashed by these operators that they do not realize that they are being criminals and committing acts which are criminally wrong from the point of view of fraud and which are morally wrong from the point of view of their duty to their fellows.

I really believe that they have been so well brainwashed that they do not realize what they are doing. What their responsibility is I am not willing to say; I doubt whether any court would be willing to say. They are brainwashed, and that is part of the technique used. Another newspaper heading is “Beware Get Rich Quick Schemes: They’re no Holiday, less Magic”. That sums it up. Other headings are as follows: “Pyramid Clamps Soon”; “Pyramid Selling to be Banned in South Australia” (I am pleased that we finally have legislation on this); “South Australia to Wipe Out the Evil of Pyramid Selling”; “Stopping Pyramid Selling” (an editorial in the *Advertiser* in April); and “Holiday Magic Owes $3 000 000”. That is important. Guess who owes the money?

Mr. McAnaney: Whom did they rob for them to owe that much?

Dr. TONKIN; Exactly. I wonder how much is owed by individual people. One article states that money was lost by South Australian creditors of the giant international pyramid selling organization, Holiday Magic Proprietary Limited, and that the creditors have little chance of getting their money back. The article says that distributors of the company are believed to be owed more than $200 000. Lt is difficult to know how to solve this problem. The member for Playford said he did not like the reversal of the onus of proof very much, and I do not like it. However, I think that, in these circumstances, we have no option. These operators are so shrewd and immoral that we have had to apply this onus of proof provision. I would like to think that in a little time (perhaps 12 months or two years) we can reverse this, introducing amending legislation. Unfortunately, it is obvious that all the education and public statements in the world will not change the situation one little bit, because we are up against human nature. It is good to see the Government is finally introducing legislation in a way that takes full regard of aspects of human nature, and in this case we are dealing with greed.

It is the greed of people which leads them to think they can make money where other people cannot. These operators trade on greed. Unfortunately, they are helped in this by the way of life now being led, with the emphasis on material things. Television advertising, which goes on and on, sets for the whole community a false standard of attainment based on material things. Not one car is suggested: two cars are suggested, and a speedboat and swimming pool, and all the other things that television leads us to believe are our, material aims in life. Pyramid selling organizations appeal to certain individuals because of their greed. However, those involved would not agree with this.

Mr. McAnaney: How can we protect people?

Dr. TONKIN: They can perhaps be protected by the Commonwealth Minister for the Media (Senator McClelland), who should be paying more attention to certain types of television advertising that says, "If you love your child, you should buy certain shoes" or "You should buy Gritty Granules breakfast cereals." We should get back to more fundamental issues. This insidious form of advertising, which really is prostituting mother love, should be controlled far more than many of the other things to which the Minister is directing his attention. I do not support the Commonwealth Minister in any way as I think he is completely on the wrong track.

I do not think there is much controversy about this matter. However, I refer to the Cybernetic Training Institute, the activities of which the Attorney-General would be well aware. It sells not products but mind improvement, by pyramid selling methods. In this respect I refer to a report in the *Advertiser* of June 9, by Mr. Stewart Cockburn, who quotes Mr. Whithall, of the Cybernetic Training Institute, as having said:

You can improve yourself by exercises of the mind.

He has all sorts of exercises and techniques but, to participate, one must pay money and, if one wants to proceed a step further up and undertake, say, a weekend course, one has to pay more money. Then, if one wants to go a step further again and become an instructor, one has to pay even more money and, after that, more and more money, from all of which the promoter gets his kick-back. If members took the trouble to look at this report they would see a photograph of Mr. Whithall, who is reported to be telling his students:

You are thinking only positive thoughts which help make you successful, happy and prosperous.

This man looks tremendously like Peter Cook in one of his comedy films on this sort of subject. Only it is not funny: it is real, and people are being brainwashed, their money being taken away from them. They are giving money for the privilege of being brainwashed. This I will not stand, because it is trading in human minds. I am disgusted by the techniques that are used, and I will fight those techniques. I support the Bill, even though I do not care for certain aspects of it, as I believe the evil these people are doing must be stopped, and there is only one way of stopping it. We have tried the systems of education and public announcements and warnings, but they have not worked. I therefore have no option but to support the measure in the Bill.

Mr. GUNN (Eyre): I, too, support the Bill. The practice to which the Attorney-General referred in his second reading explanation is obnoxious. I endorse his comments in this respect because, since I have been a member of Parliament, I have been confronted by many people who have had unfortunate experiences with these types of organization. One such group that comes to mind is known as Willex and, trying to promote a certain type of product, it tells people that it has the backing of the Commonwealth Government. I have told one of my constituents that, although the present Commonwealth Government backs many projects and groups, I did not think it would go so far as to back pyramid selling organizations. This organization was offering my constituents and others in South Australia the right, for $2 000, to be a major distributor. When my constituents approached me, they were about to sign a contract. I contacted the Attorney-General's office, and was told that this organization was one of the worst in this field. I sincerely hope that the Bill will completely outlaw the operations of organizations of this nature in South Australia. I know it is difficult to police this type of legislation because, once Parliament draws the line and gets rid of a certain type of. organization, another type springs up under a new name, using a new technique. Other constituents of mine have been talked into purchasing sheds full of detergent they have not wanted.

Mr. McAnaney: That's always useful.

Mr. GUNN: That is so, but I do not think they would want $J 000 worth of detergent. One constituent had been talked into becoming a distributor and into purchasing $1 000 worth of detergent, whereas he sold only about $10 worth. However, I think he used it to jet-dip his sheep on one or two occasions, using it as a wetting agent. This person had been taken down by this group of people, who could only be described as plausible gangsters. I have much pleasure in supporting the Bill.

Mr. RUSSACK (Gouger): I, too, support the Bill. Although I do not wish to go over the same ground covered by other members, I support what has been said. In his second reading explanation of the Bill, the Attorney-General said:

. . . while the evil that should be struck at is relatively clear, it has proved difficult to give proper protection to the public in these matters without creating difficulties for the operations of legitimate business concerns. This Bill, which follows a close examination of the legislative approaches attempted elsewhere, is modelled generally on the relevant portions of the Fair Trading Act of the United Kingdom which was enacted as recently as July 25, 1973, and it may be convenient if I now embark upon a detailed examination of the provisions of this Bill.

True, legitimate business operators must be protected, as must those people who are trying legitimately to progress and make good in life. Many people of integrity in the community have a firm desire to succeed and, as the Attorney said, the schemes presented to them are attractively presented, those responsible for their presentation being highly skilled in the arts of persuasion. He added that the schemes have special appeal to persons of limited means who frequently, but not invariably, lack business experience. Lord McAuley once said:

The object of oratory alone is not truth but persuasion.

The Attorney-General has said that people are persuaded to participate in these schemes. I am speaking in this debate for a certain reason: I. was approached by a pyramid selling organization some years ago. One method of enticing people to join pyramid selling schemes is by invitation to an evening where, through persuasion and through the dynamic personality of the person expounding the scheme, people are enticed to become involved. A friend of mine travelled with a companion 100 miles (160.9 km) from Adelaide to interview me, together with another selected person. Because I knew my friend particularly well, the proposal had an influence on my thinking, to the point that I almost acceded to the request to participate in the scheme, which involved Holiday Magic products. I am certain that my friend approached me with an attitude of integrity; he had with him a gentleman who was on the next higher level in the pyramid scheme. I am happy that L rejected the approach; perhaps I did so because I had had some business experience, and some aspects of the proposal did not appeal to me. Some months later I learnt from another friend of mine in Victoria, who was a relative of the man who approached me, that he had been approached for about $6 000; fortunately, he did not succumb to the overtures of those who confronted him.

There are some guidelines that the general public should follow when considering entering schemes such as this or other business ventures. I read in a booklet produced by the Rotary Club of Prospect that in South Australia 619 individuals, excluding companies of limited liability, went bankrupt in 1962. This meant not only a big economic loss but also the breaking of the lives of the bankrupts and also their families. To this must be added the many more who faced difficulties from which they may finally recover but which will leave an indelible mark on their lives. Many people who have been involved in pyramid selling have become bankrupt. The reason they were attracted to that venture is suggested in another section of the book which says:

> Australia needs people with the initiative and drive to reach out for themselves. Australia has been built up to its present position by such people, on the land, in industry, and in commerce. This way of life is seldom smooth travelling, sometimes the going is very rough, but often much rougher than it need be. Many men who have travelled this road have had a hard struggle—some have failed. Much of the rough going could have been avoided if the right kind of "guideposts" had been erected to assist them.

If the people who had been involved in pyramid selling and who have failed had followed the elementary principles that should be considered before one enters into a business venture, they would have been saved from financial ruin, which will persist for many years. I shall enumerate some principles in the hope that someone will be helped thereby. The following statement lists some business principles to which every business man must adhere:

> Yes, if you are very lucky you might break one of these principles and get away with it. However, if your business is to be built on a sound basis you will adhere to these:
>
> Never sign any document before you have read it and, if you don't understand every word of it, don't sign it.
>
> Never guarantee anybody's account at the bank.
>
> Never borrow "short" for long-term commitments.
>
> Always remember: you can't spend assets.

Many unfortunate people involved in pyramid selling did exactly that: they mortgaged their assets to the hilt and they invested their money in a fraud. The principles continue:

> When you are sure your judgment is right—back it.
>
> In all your dealings, be just, truthful and courteous.
>
> Think.
>
> Think.
>
> Think.

I have mentioned those principles because the people who have become involved in pyramid selling have been hoodwinked. As the Attorney-General said, they were lacking in experience and were persuaded to become involved in something that would have a detrimental effect on them for the rest of their lives. I support the Bill, because I believe it represents a genuine effort to protect members of the public, particularly those who have become involved in this unsavoury, illegitimate practice. Further, I support the Bill because it attempts to exclude from our business area those who would defraud the people.

Mr. McANANEY (Heysen): I support the Bill. I point out to the member for Playford that one does not become a criminal until one breaks the law. The question arises as to when the stage of immorality is reached. How far should we go in protecting people? Since the secondhand motor vehicle legislation was introduced, a friend of mine who is a car dealer has made more money than he was ever making previously. We know that if wild animals are fed and molly-coddled, they will often die. Similarly, a barricaded plant will wither away. Therefore, I wonder how far we should go in protecting people.

I have been caught occasionally. On one occasion a salesman came to Strathalbyn and sold shares in olive oil to the hard-heads in the district, and that taught me a lesson. Similarly, the member for Bragg was taken in by chain letters when he was younger, so he has not been taken in since then. I support the Bill, but we must think about where we are going. We were taken for a ride in respect of the Victor Harbor railway, bearing in mind the revenue received compared to the $61 000 that it cost to run that railway. I am paying more for the goods that I purchase, because consumers are stealing from the shelves, and I want protection from people of that kind. I admit that I have been taken for a ride by the Commonwealth Taxation Department. Similarly, people are being taken for a ride by the State Government regarding acquisition of land.

The DEPUTY SPEAKER: Order! The honourable member must speak to the Bill.

Mr. McANANEY: We are dealing with people who are being taken for a ride because of their own stupidity. Some people must be protected, such as those who are ill, and I will do more than any other member of this House for those people, but must we protect the people who will not work and help themselves? We could go too far in the type of legislation that is being introduced. I think that our courts are becoming too lax regarding penalties. A person who stole sheep in my district was fined $400.

The DEPUTY SPEAKER: Order! The honourable member must come back to the Bill.

Mr. McANANEY: I am comparing costs, and the penalty under this Bill is $500. If we are to become a nation of people who can look after themselves, we must not put too much protection around people, because in that

way they will become weak. If we protect efficient industries, they become inefficient and need more protection because they cannot stand against the wind of competition. Thank you, Mr. Deputy Speaker, for your indulgence.

Mr. EVANS (Fisher): I am hesitant about supporting this type of legislation, but I know why it has been introduced. Before I became a member of this House, Sir Thomas Playford said that the people at large were like a mob of children and had to be considered as such and protected from themselves. At that time the present Premier said that he thought that Sir Thomas Playford was being unkind to the community. He thought the community was not like a mob of children and that the people could think for themselves and make the right decisions. The Premier said that the people could decide when they had consumed enough alcohol and that the man in the street was not small-minded.

However, in this Parliament and the previous Parliament we have been taking action to protect people from their own deeds. I tend to support the member for Heysen, and I ask where we draw the line. Although my district contains about 19 000 electors, only two instances of pyramid selling have caused any real problem. One problem, which took nine months to solve, was solved this week when Golden Products made payment of $1 300. The Attorney knows of that case, as I spoke to him about it in another State. The other case was smaller and was not a big problem. In my district seven persons known to me are working on pyramid selling, and they are satisfied. Last financial year members of one family, working in their spare time, made more than $1 700.

Dr. Tonkin: At whose expense?

Mr. EVANS: They made that by selling goods. Another person in the same group made about $900, working on her own. I understand the problem about recruiting people and receiving payment for that. That may be wrong, but when goods are being sold and a person reaches the end of the line and is receiving something for selling the goods, that is not wrong, in my opinion, although it is tied up with pyramid selling. We could be denying the opportunity to some people of obtaining a few dollars for themselves by engaging in what might be called an accepted business practice.

Mr. Nankivell: What's the percentage pay-back to the next person on the pyramid?

Mr. EVANS: The member for Mallee, who is associated with certain business organizations, knows that all kinds of commission are paid, even up to 40 per cent in the insurance field in some areas. Members must be aware of the payments down the line in many fields. If we are to talk about dishonest or unacceptable practices, I point out that stainless steel refrigerated tanks may be introduced in the dairying industry, and everyone concerned is forced to make the change, because the manufacturer has taken out, say, the heads of organizations and has convinced them that it would be a good thing to make the change. This has happened in many other fields, but the taking out of the top men for drinks or dinner is not pyramid selling. However, it is a dishonest practice, because it is the man at the end of the line who pays the bill.

The member for Bragg referred to people who may be called mind-benders. A person in my community can claim to have attended a mind-benders' school. She could not confidently carry on a conversation with any group, because she was self-conscious and reserved. But now that woman could stand up with any person in the community and put her point of view without any difficulty. I believe that this woman's mind has been developed by the mind-bending process. The course did her no harm, in my opinion. So, these things are not all bad. This blanket legislation has been introduced, because we have educated society into thinking that it cannot look after itself; but individuals are led by persuasive conversation, to use the term used by the member for Gouger. Politicians win voters by the same process—not always by putting the facts but. by philosophy and persuasion.

Mr. Mathwin: Some show movies.

Mr. EVANS: Yes, at election time. The Premier may shake his head, but he is as good at persuasion as any other honourable member. The member for Gouger made the point that this is one of the problems we face.

The SPEAKER: Order! The member for Fisher must confine his remarks to the Bill. The honourable member for Fisher.

Mr. EVANS: Because some people have the power of persuasion, they can convince people to enter into pyramid selling. People who usually engage in pyramid selling could be classed as amateur speculators, believing that they can make a dollar out of it, and convinced that they can win. Although some succeed, many fail. Only because there is possibly a bigger failure rate than a success rate do I support the Bill. Society should not have to take this action, but should be educated to reject this kind of thinking. People should be able to decide for themselves and say, "Bad luck. I have learnt a lesson. I will not get my fingers burnt again." I reluctantly support the Bill.

Mr. MATHWIN (Glenelg): I support the principle of the Bill. During my time in Parliament I have asked questions of the Attorney-General regarding pyramid selling, particularly with regard to Holiday Magic, about which I have spoken with him several times. Some of my constituents have approached me over the years in various stages of worry and financial turmoil regarding Holiday Magic. These people were invited to attend a meeting at the company's office in Waymouth Street, which was then its headquarters, and it was suggested that no pressure would be put on them. They were shown pictures at the Waymouth Street address, which was an upstairs office. The films were excellent and in full colour, and one would be hard put to resist the appeal of this type of film and the way in which the films were professionally shown.

The first film shown was introduced by Mr. P. Patrick, founder of H.M. (not L.M.). The second was a film called *"Formula for Happy Living",* which depicted the life stories of successful distributors—those people who had been motor mechanics and who had been going broke until they had been introduced to Holiday Magic, and people such as schoolteachers and housewives. One housewife in the film was shown to be giving one party a week, for which she received at least $20 a week. The spiel was that, if she could do this with an hour's work a week, what could a person make by doing it as a full-time job? People had to pay to attend the courses; $150 was the cost of one course, and there were extra courses, including one called a "zig zaggla" course, costing $45. They could also attend the top course by paying $500, which was a four-day course held in Sydney. I refer to an article in the *Advertiser* of January 6, 1972, under the heading "Total Honesty, Total Knowledge", which states:

One of the principal slogans in the Holiday Magic masters and generals training manual is: "Total honesty, total knowledge, total commitment." Trainee distributors are urged at all stages of training to ask themselves questions like these: "Is it ethical?"; "Who would it hurt?"; "Is it selfish or greedy?" The founder of Holiday Magic, William P. Patrick, is quoted as saying: "One of our key

men once remarked that he had studied the Holiday Magic marketing plan for three months and still couldn't find a single place where a lie would strengthen it!" Mr. Patrick adds: "We are filling a financial and creative need of people by showing them how to market a product that provides exciting profits and allows for pride, integrity, honesty and truth."

Here are some other quotations from the training manual:

Under the heading "Seven Emotional Keys or Ways to Sell", clause 5 advises: "Touch them (that is, the prospective recruits); lead them to a seat with three fingers under the elbow. Don't push; be careful. Help them fill out application."

And later: "Never forget, emotional selling is what we are doing. Our prospects (also sometimes called suspects) are going to make their decisions to join us because they 'feel' right about it in 99 cases out of 100."

The SPEAKER: Order! Does the honourable member intend to read a long article from a newspaper?

Mr. MATHWIN: I am on the last sentence.

The Hon. D. A. Dunstan: Hear, hear!

Mr. MATHWIN: I have listened to other members speaking, and they have received great latitude.

The SPEAKER: It is not normal practice to read long articles from newspapers.

Mr. MATHWIN: If you will allow me, Sir, I have about 10 or 15 words to read. The article continues:

"The remaining 1 per cent will come in because he has 'logically reasoned' that it is the proper thing to do."

That is my point, and I ask members to consider my remarks when deciding their vote on this Bill. If a person objects at these meetings, it is suggested that if he does not wish to make money or have a swimming pool he can leave. One person living near me was caught for $150, and another, who was upset when he saw me, lost $13 000 to Holiday Magic, and all he had to show for it was cosmetics under his table and in his garage that he could not sell. I agree with the efforts of the Attorney-General. If one wished to speak to the principals of Holiday Magic, they were never available. Golden Products is operating at present, and anyone familiar with the way in which this organization advertises for applicants will see six to 15 advertisements every Saturday, although Golden Products is not referred to. I agree with the member for Bragg that the underlying factor seems to be greed. I sympathized and agreed, to an extent, with the member for Heysen, when he asked how far should we go to protect people from themselves. The principals of Holiday Magic and Golden Products are professionals in selling, but they have no heart, no guts, and do not worry about the principles of business.

Mr. Nankivell: They have no principles.

Mr. MATHWIN: Of course, otherwise they would not be in the business. With a suggestion that, when the Bill is in Committee, I will have more to say, I support the Bill in principle.

Mr. BECKER (Hanson): I have waited for almost three years for legislation to be introduced or some Government action taken to control pyramid selling in this State. On October 29, 1970, I asked a question relating to Adelaide Promotions, and the Attorney-General said he would have the matter investigated. On April 6, 1971, I asked a further question of the Attorney-General, and he said that he would have the matter investigated and bring down reasons for the delay in replying to my previous question. It was not until November 9, 1971, that I asked the Attorney a further question, and he said that he had no recollection of my previous questions but suggested there was a good reason that no replies had been given and that he would find out what it was.

With due respect to the Attorney-General, the problem has been to have legislation introduced that will control pyramid selling. After private discussions with the Attorney-General, I appreciate the situation in which I placed him more than three years ago. It was not a matter of introducing legislation and expecting it to operate satisfactorily. This has been a problem throughout Australia and in other countries, and I am grateful that the Attorney-General has benefited from an oversea trip during which he considered legislation to control pyramid selling. The Victorian Government has introduced such legislation and now it has been introduced here.

I strongly support the Bill, because regrettably hundreds of citizens have lost tens of thousands of dollars. The public has been warned through the media to beware of organizations that were named, but gullible people who still try to make a quick dollar fall for the plausible stories of pyramid selling organizations. In the last few weeks cards have been placed on windscreens of motor cars and in letterboxes in my district: the card states "Ring so and so". When the number is telephoned one can, after probing long enough, realize that the organization is promoting pyramid selling. The methods used by these organizations have probably been some of the most distasteful and low-down tactics adopted in the business world today. If one finds a note on one's windscreen, one's normal reaction is to ring that telephone number. This is a low and miserable trick, because the person receiving the telephone call uses tactics to induce unsuspecting people to fall for the trap of pyramid selling.

I hope that the legislation will be given the widest publicity, and if the Government is as sincere as it suggested it was in other legislation in which it used advertisements to warn the public, it should do the same thing regarding this legislation and advertise in the press and take time on the other media to warn people about pyramid selling, telling them that it is illegal in South Australia. The public should be told that a victim of pyramid selling, if the contract was entered into since July I this year, could return the goods and sue for recovery. I would not object to using taxpayers' money in such a way. As has been said before (and I think the member for Heysen said it this evening), how far should we go to protect people from themselves? If ever there was an iniquitous practice, it is this practice of pyramid selling. I hope the Government will use all its powers to see that this legislation is given the widest publicity, and I hope it will spend some money to publicize this in the media. I urge all members to support the Bill.

Mr. VENNING (Rocky River): I support the Bill. If there is any doubt whether legislation is necessary, we should err on the right side. In my district, many good Christian people are sitting shots for the type of operator that we are legislating against in this Bill. For this reason, I support the Bill, which I hope will be given the widest possible publicity by the Government so that people will be protected and those who want to operate in this way will be punished.

The Hon. L. J. KING (Attorney-General): The member for Heysen has twice in the House stated that the price of secondhand motor vehicles is considerably higher in South Australia than it is elsewhere. On my information, that statement is incorrect. Officers of the Commissioner for Prices and Consumer Affairs assure me that their inquiries do not enable them to say that the price of secondhand vehicles in South Australia is higher than the price in other States. If it is higher, it is only marginally higher, and they say that $30 or $40 is the very maximum differential between the price in South

Australia and that in other States. That is a small sum to pay for the warranties that apply in this State.

The Leader referred to several legitimate business practices that involve some chain element or element of overriding commission. The examples he gave underline the point I have made several times that it is difficult to frame legislation that achieves the result of eradicating the evil of pyramid selling without striking down legitimate business practices. However, I believe that the provisions in the Bill have achieved this result. I do not think that any of the practices to which the Leader referred would be affected by the provisions of the Bill. He did not indicate the respect in which he thought they might run foul of the Bill, and I cannot see how they could. If, on reflection, the Leader can see some danger and if he draws my attention to it, I shall be happy to consider it. We considered exhaustively all the types of franchise arrangements, overriding commission arrangements, and so on, that could run into difficulties, and I think we have avoided pitfalls.

The so-called onus of proof provision is not nearly the Draconian provision that some members imagine it to be; it is simply a *prima facie* evidence provision that is confined to what might be described as the business elements of the trading scheme and the identity of the parties to it, matters which are peculiarly within the knowledge of the promoters of this scheme and which would be extremely difficult to prove by admissible evidence. Therefore, it is necessary to presume facts of that kind, leaving it to a defendant to say that it is not so, if it is not so. There is nothing Draconian about that. The actual ingredients of the offence committed remain to be proved by the Crown, and in clause 7 there is a defence of lack of guilty knowledge. I do not think there is anything abnormal or Draconian about the legal procedures involved. I agree with the member for Davenport that it is necessary for us to do all we can to protect those who may be at this moment parting with money to pyramid selling promoters. The way we tackle this (and I gather he agrees with this) is really a happy combination of publicity and retrospective legislation.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Progress reported; Committee to sit again.

URBAN LAND (PRICE CONTROL) BILL

In Committee.

(Continued from October 16. Page 1272.)

Clause 19—"Sale, etc., of new houses."

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

After "land" to insert "of less than one-fifth of a hectare in area"; and after "house" to strike out "is" and insert "has been, or is being".

By placing a size restriction on the allotment, this amendment relieves the Commissioner of the responsibility of approving a consideration for new houses constructed on allotments exceeding one-fifth of a hectare. This creates consistency with the provisions dealing with vacant land. It also eliminates the need of builders making an application in respect of other than residential allotments. The second amendment ensures that the controls will not be avoided by the sale of an allotment on which there is a partially constructed new house.

Amendments carried.

Mr. COUMBE: Having dealt with the price of land, we now come to the Part dealing with new houses. After the due date, the approval of the Commissioner of Land Price Control will be necessary in respect of new houses. The object of Part IV is to stop persons placing undue loadings on certain transactions to get around the legislation. What will be a fair consideration in transactions and what margin will be approved by the Commissioner? Some builders will be able to produce evidence of prime costs of materials, labour, and so on, and the Commissioner will be able to determine a percentage margin on those costs, but what about the small builder? We could easily be adopting the old cost-plus system which obtained for some time after the war and in relation to which many malpractices occurred. The position should be clarified to ensure that the person building his house is protected, and that the builder receives a fair price for his work. At the same time the provision should not be so restrictive that it will deter builders from working in the controlled area. A controlled period was also referred to in the second reading explanation. However, having conferred certain powers, it is doubtful that the Government would take them away.

The Hon. D. A. DUNSTAN: The Commissioner will not proceed in this matter on a mere cost-plus basis, any more than the Commissioner for Prices and Consumer Affairs does now in relation to goods and services. The same entirely pragmatic approach to the fixation of prices will be adopted in this matter as is now adopted by the Commissioner for Prices and Consumer Affairs regarding goods and services. The aim of this provision is to ensure that the price for building is not markedly out of line with normal building costs and returns. If the normal price of, say, between $1 200 and $1 600 a square was being charged on project buildings, there would be no further investigation. However, if it was more than that, the Commissioner would want to be satisfied that the price for the house was not being used as a device in relation to the price of the land, and that is all.

It does not mean that a builder will be unable to obtain advantages from efficient building techniques and get a return for his money in consequence. The purpose of this provision is to ensure that the consideration is not a disguised increase in the price of the land. If there was no sign that this was happening, no further investigation would be conducted. If it appeared on the face of it that something needed to be examined, the Commissioner would want to be satisfied that the loading on the price of the land was not unduly high.

Mr. McANANEY: Will the Premier explain why the larger allotments will be exempted from this clause?

The Hon. D. A. DUNSTAN: This is simply because the legislation is designed to control the prices of normal residential building blocks. We do not consider it is necessary to impose price restrictions on larger blocks, because these are not generally used by the average citizen as building blocks, which is the area in which we are seeking to provide protection.

Clause as amended passed.

Clause 20—"Application."

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

In subclause (1) (c) to strike out "prescribed" and insert "required by the form".

As a result of the amendment, instead of having the provision by prescription, the Commissioner may require it in the form he devises.

Amendment carried.

Mr. McANANEY: Will the Premier say what efforts will be made to ensure that transactions are not unduly delayed by this provision? A notice has been placed in the office of the State Planning Authority stating that, if one's application has not been dealt with within two

months, one should not inquire about it as one would have no hope of getting it through. If a person wants to sell his house for $20 000—

The CHAIRMAN: Order! There is nothing in the clause dealing with that matter. The clause relates to the applications to the Commissioner.

Mr. McANANEY: With respect, Sir, I was merely giving an example of what could happen. I want merely to ensure that we do not get a repetition of what has happened in relation to similar legislation. I do not want transactions to be delayed for extensive periods. After all, if a person wanting to sell a property for $20 000 cannot sell it for two months, and in the interim interest must be paid, a large sum would be involved. Some members opposed this type of legislation because many business transactions are being unduly delayed, at terrific expense to those involved.

The Hon. D. A. DUNSTAN: The Government has already expressed its concern regarding delays in approvals to get land on the market. I explained in the second reading debate and earlier in Committee that a special working committee, under Mr. Taeuber, was working specifically on the matter of administrative delays in an effort to get land onto the market, and to see that we are able to expedite these matters.

Clause as amended passed.

Clause 21—"Factors to be considered in determining an application."

Dr. EASTICK (Leader of the Opposition): Can the Premier say who will decide what is a reasonable margin of profit to the applicant? Will it be decided by the Commissioner or by the Government? Will the figure be the same for smaller houses as for larger houses? The *Concise Oxford Dictionary* suggests the following meanings of the word "reasonable":

sensible, moderate, not expecting too much, not absurd, within the limits of reason, not greatly less or more than might be expected, inexpensive, not extortionate, tolerable, fair.

In connection with the four matters to which the Commissioner shall have regard in determining an application, I refer to the question of holding charges. An applicant may say to a builder or salesman, "I will take an option on the property, subject to my acquiring funds. It may take three weeks before the lending institution indicates whether it approves my application." If at the end of that period there is no sale because the funds are not forthcoming, the vendor then has to recoup the interest on his money that has been lost through his holding the property. Does he load that loss against the next person who wants to buy the property? Will such additional costs be included in the reasonable margin of profit that is to be allowed?

The Hon. D. A. DUNSTAN: I very much doubt that holding charges would be considered to be matters that are to be allowed, other than in the amounts prescribed in the formula—that is, as far as the land is concerned.

Dr. Eastick: Notwithstanding that the cost of the money involved might be at 9½ per cent a year?

The Hon. D. A. DUNSTAN: That is another matter. As far as the general provisions of the formula are concerned, the original aim of the formula was to provide an amount that it was contemplated would cover reasonable escalation. The investigating committee strongly recommended that no costs other than those that had been allowed (rather, less costs) should be included. In relation to the question of what is reasonable, this has been included in the provision as it occurs in much other legislation, because this is an area in which a sensible and pragmatic discretion has to be exercised by the Commissioner.

Dr. Eastick: Under any directions?

The Hon. D. A. DUNSTAN: There will not be any directions as to any formula to be imposed. Each case will be looked at in the way I described to the member for Torrens in connection with an earlier provision. It is not proposed that there will be a formula: it will not be laid down that there is a formula. If we were going to lay down a formula we would have put it in the Bill. It is precisely because we do not think there should be a formula that we have not put one here. All the circumstances of each case should be looked at by the Commissioner, and what is fair and reasonable will be arrived at in a completely pragmatic way. That is precisely what happens under the existing prices legislation, and that operates in a way that many people negotiating with the Commissioner for Prices and Consumer Affairs find to be exactly fair and reasonable.

Mr. DEAN BROWN: I can foresee difficulties in connection with a builder who is concurrently building houses on several blocks. He will have difficulty in determining the exact cost of a house. On one day he may have his men on a certain site, then for two or three hours he may shift them to another site, and then bring them back to the first site. Several builders have said that there will be tremendous difficulty in determining the exact cost of a house in a case like that. I also raise the question of the capital possessed by a person buying a house. What interest rate is he allowed to charge on his own capital? Such an interest rate should be laid down. It is fairly common for developers to purchase land, bring in a builder to build a house on it, and then sell the house and land. In these cases, will the developers be allowed their general managerial costs, such as for time, expertise, offices in their own homes in many cases, and especially for capital? Further, will this legislation cover the position where a house is sold under an arrangement that settlement will take place on completion of the house?

The Hon. D. A. DUNSTAN: I bring the honourable member back to my explanation to the honourable member for Torrens. It is not intended that on every project building activity the Commissioner will make a detailed examination of every house proposed for sale. There will be an investigation to find out whether the price proposed is clearly a loading of the land cost, not a real reflection of the actual cost of the building, only if it seems that the price of the house, having regard to size and other things, is markedly out of line. The honourable member has said that in project building it is difficult to assign cost to one building. However, it is not so difficult that builders cannot arrive at a price for that house, given their overall building costs. If someone was charging much more than the normal rate for l00sq.ft. (30.5 m^2), the Commissioner would ask that that be justified to him. All the costs would be shown to him, because all those costs reflect the normal price for a building of that quality. The Commissioner would examine the matter and say that it either seemed fair enough in the circumstances or that it seemed strange.

It is not really difficult to get at a basis of price in that way. The Commissioner will have to consider only the anomalous cases. This is only a check on the price of the land, not a constant investigation of the cost of every house built. If it seems that the price proposed is a loading on the land cost, the builder or the vendor will give the Commissioner a statement of all the costs concerned, and, if the Commissioner is satisfied that those

costs are properly assignable and that they would be assignable in the normal course of business, they would be taken into account.

Mr. Dean Brown: What about the other matter?

The Hon. D. A. DUNSTAN: That is an ingredient. It is a normal cost of project building and must be taken into account by anyone doing project building when selling a house.

Mr. EVANS: I should like recorded the position of the small operator who may build only five or six houses a year. If he builds houses that normally are worth $15 000 to $18 000, those that he builds during a wet winter may cost up to $1 500 or $1 800 more and he would be subject to investigation about the latter houses. The small builder does not have the same opportunity as the big builder has to move a gang from a house in a wet area to a house in a dry area. The small operator is more likely to be humbugged and subjected to more scrutiny than is the big operator. I think cases such as I have mentioned will arise.

Clause passed.

Clause 22—"Validation of transactions."

Mr. COUMBE: Sometimes a quotation is given for the erection of a house and progress payments are made at various stages. Is any protection given to the builder if he gives a quotation, subject to rise and fall clauses, by allowing him at that stage to say to the Commissioner, "This is the price at which I am willing to offer the house, and will you accept that?"?

The Hon. D. A. DUNSTAN: I do not think there would be any difficulty about the builder's getting an indication from the Commissioner about the standards that the Commissioner would accept, as a protection to the builder so that he could not have an excess recovered against him. The honourable member knows that, under the Prices Act as it stands, an excess may be recovered. In relation to several services, there is constant dialogue between the people giving the service and the Commissioner about what is allowable.

Mr. DEAN BROWN: I refer to subclause (3). A person may approach the Commissioner within 12 months of the land and house being sold, and I should like to know whether it is possible for final settlement payments to go through and for a reimbursement to be made after the Commissioner has given a ruling. If the Commissioner has a backlog of cases or judgments, and if an appeal is lodged in addition to that, the person who has sold the house may no longer own the property but may not have received the money for it. I have had similar cases brought to my attention. I use as an example the case of a man who recently sold a flat and who has had considerable trouble in transferring from the Torrens moiety title to a strata title. The settlement was not arranged until a year after the date of the sale.

The Hon. D. A. DUNSTAN: The matter could be delayed; however, the Commissioner would be unlikely to proceed to investigate unless, on the face of it, the transaction appeared to be markedly anomalous.

Mr. DEAN BROWN: Perhaps there could be settlement up to a reasonable value of the property and the final settlement of the amount under dispute could be settled later.

The Hon. D. A. Dunstan: That sometimes happens even now.

Mr. DEAN BROWN: A reasonable complaint could be lodged by the vendor if there was a delay in the complaint being heard.

Clause passed.

Clause 23—"Appeal against decisions of the Commissioner."

Mr. CHAPMAN: I appreciate that, written into the clause, is the opportunity for an applicant to appeal if he is dissatisfied with the Commissioner's ruling, but I cannot read into the clause any detail that would protect the applicant in the event of his appeal being upheld. Regarding the tribunal's expenses, can the Premier say who would be responsible for the costs of a tribunal hearing and the costs, in particular, incurred by the applicant in the event of his appeal being upheld?

The Hon. D. A. DUNSTAN: There is no provision for the ordering of costs before the tribunal. We have not normally, in informal tribunals of this kind, made provision for costs. I point out that a provision for costs in tribunals of this kind can be a double-edge sword and very inconvenient. An unsuccessful appellant may find the tribunal ordering heavy costs against him. It is commonly the case that, with informal tribunals of this kind, we do not provide for the ordering of costs because, in itself, that is an inhibiting factor to prospective appellants.

Mr. CHAPMAN: Does the Premier think that this provision should be clarified? Surely it can be reasonably expected that from time to time there will be Commissioner's rulings that will be seen to be unreasonable by the appellant. In such cases, as it would be reasonable to suggest that some such appeals may be upheld, the legislation should contain a clear provision of the protection that would be given.

The Hon. D. A. DUNSTAN: I have already given the honourable member the reason why no specific provision for the ordering of costs has been written into the legislation. We have found in some cases that, where provision exists for the ordering of costs, people are reluctant to appeal because they consider that they would be taking a gamble. When the costs that may be ordered against them are added to the costs of bringing the appeal, they decide not to appeal. An appeal is always a gamble, and there are few cases where anyone will advise that an appeal is an open-and-shut matter. If one adds to the costs of bringing the appeal the costs that may be ordered against one on losing the appeal (costs can only follow the event), one might have second thoughts. Getting the risk of the gamble down is a good idea in informal tribunals. In tribunals that involve lengthy proceedings, it is only proper that costs follow in any case. In this legislation it was considered that, in proceedings which are not likely to be lengthy but which are informal, it would be a means of encouraging people not to have costs provided for.

Mr. CHAPMAN: Do I take it from the Premier's comments that, because there is no such provision in the legislation, in no circumstances will costs be awarded to the other party?

The Hon. D. A. Dunstan: That would be right.

Mr. McANANEY: I believe it should be a tribunal in which lawyers are not allowed to appear. As the tribunal will be dealing with facts that will have to be produced, this will shorten any appeal. It would seem to me that lawyers are not necessary to argue a case that deals with facts.

Dr. EASTICK: I seek information from the Premier regarding "or such longer time as may be allowed by the tribunal". A 30-day period is permitted in which a request may be made; that allows for flexibility. Is it intended

that such flexibility will apply to all appellants? In other words, every application that might fall outside the 30-day limit will be considered. Will that flexibility, which will be allowed to a large organization, apply also to an individual who for one reason or other may have misunderstood the implications of the limitation?

The Hon. D. A. DUNSTAN: There will be no discrimination as between applicants. The 30-day limit is intended to be the normal time, but the ability to go beyond that time will be given to the tribunal where it can be shown that, in all reason, the time limit ought to be extended. Certain instances will justify a departure from the time limit, but the circumstances must justify the departure. The justification does not differ between large organizations and an individual, and the tribunal can exercise its judgment, just as the courts allow an extension of time on proper proof.

Clause passed.

Clauses 24 and 25 passed.

Clause 26—"Reasons for decision of tribunal to be given."

Dr. EASTICK: I move:

To strike out this clause and insert the following new clause 26:

As soon as practicable after the tribunal has reached a decision in any proceedings it shall give a written judgment setting forth the reasons for its decision and shall cause copies of that judgment to be sent to all parties to those proceedings.

This amendment is consistent with the spirit of the measure, in that applicants before the tribunal can expect, without being limited to seven days, to receive a formal notification of the decision. Every decision of the tribunal will be reduced to writing in some form, and it will be advantageous if, by right, the applicant receives this consideration.

The Hon. D. A. DUNSTAN: I accept the amendment.

Amendment carried; clause as amended passed.

Clauses 27 and 28 passed.

Clause 29—"Certificate to be given on instrument of transfer."

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

In subclause (1) to strike out "within a controlled area".

By eliminating the words "within a controlled area", the Registrar-General of Deeds is saved from identifying the land referred to in the titles referred to him for registration. This will therefore avoid delays in the Lands Titles Office.

Amendment carried.

Dr. EASTICK: What added expense will this requirement cause? An opinion is given by the legal practitioner or land broker that the transaction does not contravene any provisions of the Act.

The Hon. D. A. DUNSTAN: I draw the Leader's attention to my next amendment, which spells it out and makes it simple and clear. I move:

In subclause (1) to strike out "that the transaction does not contravene any provision of this Act." and insert the following new paragraphs:

(*a*) that the transaction to which the instrument relates is unaffected by the provisions of this Act;

or

(*b*) that the transaction to which the instrument relates is affected by the provisions of this Act but that he is not aware of any circumstances by virtue of which the transaction contravenes any of those provisions.

This amendment was prepared following submissions to the Attorney-General by the legal profession and land brokers. This makes it clear that professional disciplinary bodies are not restricted by the new Act in the range of disciplinary measures that they can take. The Government should emphasize the seriousness of this offence to a tribunal that has to consider such an action in relation to professional people, and we make it clear that any participation in a scheme to evade or contravene the new Act will constitute a serious breach of professional ethics. The proposals will allow the necessary inquiries to be made and formalized by professional people involved, but will not create great expense to the applicant.

Mr. COUMBE: How would a solicitor or a land broker know whether he has contravened the Act? Would this provision cause undue delays and lead to further expense?

The Hon. D. A. DUNSTAN: He must be in the position to have information before him on what would be tabulated for the settlement, and that would set forth the matters required by the Act under the formula. He could check that simple calculation, and it would be an added page or so to the settlement document. He has to have it before him when he makes settlement and certifies the transaction. The land broker or solicitor must normally do this before moneys are paid over and documents exchanged. He has to have attached to the document the necessary declaration that there has been no contravention by the parties to the measure. As a professional, he would have to ensure that he had no grounds to suspect, from what had transpired, that there was a contravention of the Act, before he could make a certification.

Mr. Coumbe: He would be protected under the Oaths Act?

The Hon. D. A. DUNSTAN: Yes, but he could not take an oath that he believed to be illusory. I move to insert the following new subclauses:

(la) Any instrument of transfer relating to land to which Part III or Part IV of this Act applies and submitted to the Registrar-General for registration must be accompanied by statutory declarations in the prescribed form made by the transferor and the transferee stating—

(*a*) whether Part III or Part IV of this Act applies to the land;

(*b*) that the consent or approval required under this Act has been obtained, or that no such consent or approval is required under this Act, in respect of the transaction to which the instrument relates.

(lb) Where the transferor or transferee under any such instrument of transfer is a body corporate a statutory declaration may be made under subsection (la) of this section by an officer or employee of the body corporate who has been authorized by the body corporate to make the declaration on its behalf.

This is part of the total amendments that I have already explained.

Amendments carried; clause as amended passed.

Clause 30—"Offences relating to land transactions."

The Hon. D. A. DUNSTAN: I move to insert the following new subclause:

(la) A legal practitioner shall not be held to be guilty of any offence against this Act by reason of any advice tendered, or act done, in good faith and in the ordinary course of legal practice.

This is inserted at the request of the Law Society. When a lawyer is advising someone in a case where he finds that the client has in fact committed an offence, he must not be held to be guilty of a breach of professional ethics, merely because he has given professional advice. This does not mean that he could certify a transaction that he knew to be in contravention of the legislation. However, if he does not aid and abet someone, he can give people proper advice of what they can do in relation to this legislation.

Mr. Coumbe: Why doesn't that apply to brokers?

The Hon. D. A. DUNSTAN: Simply because they do not give the same sort of professional advice. A broker is not the person to give legal advice about a person's legal rights.

Mr. McANANEY: Surely this position exists now with regard to lawyers. If they do their job with good intentions, they cannot be punished. Therefore, this provision seems to be superfluous.

The Hon. D. A. DUNSTAN: Lawyers are protected at present, but provisions in this legislation elsewhere in relation to aiding or abetting could be read sufficiently widely to take away from lawyers protection when giving professional advice. In order to ensure that it was clear to the courts that this was not meant by the legislation, the Law Society suggested to the Attorney and me (and we agreed) that this amendment should be made.

Mr. EVANS: I believe brokers should be included in this provision. Land brokers give advice in the normal course of their work, when people come to them asking them to handle various matters. If a person tells a broker a pack of lies, why should the broker be liable when a lawyer, in such circumstances, is exempt? Both should be exempt. Is the legal profession a protected profession?

The Hon. D. A. DUNSTAN: No, it is not. However, I point out that giving advice in the course of legal practice under the Legal Practitioners Act is different from the practice of land brokerage. In relation to transactions under this legislation, there may be differing views in the legal profession about the effect of this legislation in certain areas. On that score, it will not be to a land broker that one goes for advice. People go to a solicitor to inquire about the meaning of the legislation. A client has to be able to get advice from a solicitor. In giving that advice about the meaning of the Statute, a solicitor is not to be found to be aiding or abetting a client in breach of this legislation. The protection of professional advice in that way as to the meaning of the legislation is different from the case of a person who goes to a land broker and gets him to act as a land broker in the normal course of the transaction, because he is not there to give advice on the meaning of the legislation. That is the specific job of a lawyer.

Mr. EVANS: The Premier has missed my point. This new subclause refers to an act being done. In other words, if a broker carries out his brokerage work (leaving aside the question of legal advice) in good faith and someone hands him a lot of hogwash, he is not exempt under this legislation, whereas a solicitor is exempt.

The Hon. D. A. DUNSTAN: In relation to brokerage, the provisions already deal with the matter clearly. If this work is done in good faith and without knowledge of any failure to comply with the provisions of the legislation, the broker is protected, as is the lawyer. The protection we are now dealing with is something in addition. This is not taking away from the broker the necessary protections in relation to brokerage.

Amendment carried; clause as amended passed.

Clause 31—"Disciplinary action against certain persons."

The Hon. D. A. DUNSTAN: I move to insert the following new subclause:

(2) This section does not limit the discretion of the Supreme Court or a disciplinary authority—

(*a*) to refrain from taking disciplinary action; or

(*b*) to take disciplinary action of lesser severity than that referred to in subsection (1) of this section,

in appropriate circumstances against a person to whom subsection (1) of this section is applicable.

I have already explained this amendment.

Amendment carried; clause as amended passed.

Remaining clauses (32 and 33), schedule and title passed.

Bill reported with amendments.

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

That this Bill be now read a third time.

Dr. EASTICK (Leader of the Opposition): I oppose the third reading. I said earlier that I would support the second reading so that we could examine the clauses of the Bill in some detail in Committee. Although some improvements have been made to the Bill by the Premier and he has accepted suggestions by the Opposition, I still find that the retrospective aspects of the Bill, the sham of the Premier in bringing the matter before Parliament, the offensiveness and oppressiveness of the measure, and the fact that it will be impossible to implement it to the advantage of the people of this State, truly indicate that it is a measure that should not pass this House. I believe the Premier's sham, in suggesting that this and another measure are of extreme importance to the people of this State, is becoming more apparent day by day. The fact that this measure was not brought forward earlier to be passed by this House and introduced into another place bears some relationship to the action that is to be taken in respect of these matters when the State and Commonwealth Ministers meet next Monday. I believe that—

The SPEAKER: Order! The honourable Leader of the Opposition can speak to the Bill only as it came out of Committee. This is not a second reading debate.

Dr. EASTICK: I conclude by saying that there is no value in this measure for the people of South Australia and that it will confound, and not correct, the position.

Mr. HALL (Goyder): I must oppose the third reading of this Bill. Obviously the Premier is strong on detail and weak on principle, as this Bill contains no business sense. Members of the Government of the front bench were last night unable to explain how the legislation will work, and I am sure the public would be incredulous if it heard the Premier say last night that at an auction people will be forced to draw lots, when more than one of the prospective purchasers will pay more than the fixed price.

Mr. Payne: The member for Rocky River said last night that this was how he got some of his land.

Mr. HALL: If the member for Mitchell wants to instance a case, he can do so, as it strengthens my case. I do not know whether any member has done it, but I know of innumerable people in the community that have, and the conditions obtaining last night were no different from those obtaining in the days of the national security regulations—

The SPEAKER: Order!

Mr. HALL: —and, if anything brought down the Chifley Government, it was this sort of thing. The public is sick of the sort of provisions contained in this Bill.

The SPEAKER: Order!

Mr. HALL: I am addressing the Bill.

The SPEAKER: Order! The honourable member can speak to the Bill only as it came out of Committee.

Mr. HALL: The Premier said it is no different from the position obtaining in the days of the national security regulations. That was said in Committee last night, and that is how the Bill came out of Committee. I am merely saying that the public rebelled against the Government that promulgated the national security regulations.

The SPEAKER: Order! The honourable member for Goyder must surely realize that, when speaking on the third reading of a Bill, he can speak to the Bill only as it came out of Committee. There is nothing in the Bill

regarding national security regulations. The honourable member must therefore speak to the third reading of the Bill.

Mr. HALL: If you, Sir, say there is nothing in the Bill about this aspect, I suppose that must be so. I thought the Premier said there was.

The SPEAKER: Order! I have ruled that that matter is not to be debated on the third reading.

Mr. HALL: It is obvious that the Premier has no further solution in the Bill as it came out of the second reading and Committee stages to the enormous problems of selecting a buyer under price control than existed long ago. We have been told that the people will draw lots or, in the case of a sale without auction, the agent will choose the purchaser. Government members sitting behind the Premier must be naive if they think that this sort of business will be conducted without abuse and that the penalties provided for in the legislation will prevent abuses occurring. If they do not think that, they are hypocrites. One thing is certain: they are not practical men. As I said when opening my remarks, the Premier may be strong on detail but he is certainly weak on principle. I oppose the Bill.

The House divided on the third reading:

Ayes (22)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Crimes, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, King, Langley, McRae, Olson, Payne, Simmons, Slater, Wells, and Wright.

Noes (18)—Messrs. Allen, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick (teller), Evans, Gunn, Hall, Mathwin, McAnaney, Nankivell, Russack, Tonkin, Venning, and Wardle.

Pairs—Ayes—Messrs. Corcoran and McKee. Noes—Messrs. Goldsworthy and Rodda.

Majority of 4 for the Ayes.

Third reading thus carried.

Bill passed.

SAVINGS BANK OF SOUTH AUSTRALIA ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 28. Page 536.)

Mr. BECKER (Hanson): When the Premier introduced this Bill he referred briefly to the amendments made last year to the State Bank Act. Those amendments related to appeals against promotions, appeals in disciplinary matters, and the creation of classification committees. The Public Service Act to some extent applies to officers of the State Bank, but it does not so apply to officers of the Savings Bank. So, to establish similar committees for the Savings Bank we need separate legislation. These committees will be of immense benefit to the staff and to the bank itself because they will help to improve relations between the staff and the management. It is pleasing to note that the establishment of these committees has the approval of the Australian Bank Officials Association (South Australian and Northern Territory Division). The Savings Bank staff has always maintained a very strong branch of that association.

The State Bank Act provides that, if the association branch is unable to nominate someone to a committee, a competent officer of the association can do so. However, it is not necessary to include such a provision in the Savings Bank of South Australia Act. The Savings Bank branch of the association has over the years suggested improvements in the working conditions of all banks, and it has produced many first-class association officers not only at State level but also at Commonwealth level. So, we need have no fear that the interests of the staff will be ignored. The Bill also provides for some operations of the Savings Bank to be brought into line with modern business practices, which have already been adopted by the Commonwealth Savings Bank and the private trading banks.

Those in the private trading banks may say cynically that this Bill is the beginning of legislation that will bring the Savings Bank of South Australia into direct competition with the private trading banks. Officers of the private trading banks will have to realize that the Savings Bank of South Australia will eventually operate in pretty much the same way as do the private trading banks, which until now have enjoyed a luxury, in that the operations of the Savings Bank of South Australia have been restricted. Clause 6 strikes out section 19 (2) of the principal Act, which provides for the giving of security by persons employed in the bank. It has been a bone of contention of many white-collar workers that they have been required to provide their employers with a bond. In private trading banks it was necessary to take out life assurance policies of up to $1 000 before employees reached the age of 21 years. In this day and age the old system of providing bonds is no longer really necessary, and not all staff members want to take out life assurance policies. No-one should be forced to enter into such an arrangement to secure his employment.

Clause 7 provides for the establishment of classification committees and it deals with the composition of those committees. The classification system within the Savings Bank is entirely different from that of the trading banks. Some years ago the Bank Officials Association looked at classifications and found complex problems existing. The association branch was able to deal directly with the bank management, rather than involve the whole association in trying to evaluate certain classifications. It is more satisfactory if those involved in the specialist field deal directly with management. The system of classification committees will put this on a proper footing. There will be an independent Chairman, a bank representative (generally the staff manager or his nominee) and an association representative. So, the staff has nothing to fear from the establishment of the committees.

Clause 8 modifies the basis on which, in certain circumstances, an allowance for service is paid on retirement or death. This provision is important to those who are about to retire, and it will also eventually benefit other staff members. Clause 9 repeals section 25 of the principal Act. About 60 years ago the Savings Bank of South Australia employed Commonwealth officers to act as its agents, and post offices were agencies of the bank in this State. Of course, post offices are now agencies of the Commonwealth Savings Bank. So, clause 9 brings the legislation into line with current practice. Clause 10 contains two main provisions that deal in detail with staff appointments and discipline. In one respect this is necessary. Of course, the officers have the right of appeal. Nevertheless, it is necessary to have these provisions in the legislation. In a bank, it is not always easy to put a person in a position and expect the appointment to be successful.

At present, there are always those who believe that they should have the right to nominate for a position. The bank will benefit by having in positions those who want to do the job, and the change being made, with the use of the appeal system, will obtain the right man for the right job. This is a worthwhile addition to the Act. The staff have

sufficient protection under the provisions made regarding the appeals committee. The Bill also sets out the classifications of officers of the bank, and there is reference to a branch manager or an officer of that status. I think that a person who has worked his way up through the ranks in a bank should be regarded as having a general broad knowledge of the operations of the bank.

New section 26j deals with officers declining nomination and, whilst I am pleased that this provision is being inserted, I know what it is like in a bank to refuse a transfer. Over the years we have had several instances of well-known sportmen in banks having to give up sport if they were not willing to take a transfer, and that transfer might involve a place like Ceduna. The system has changed and now a bank probably would bring a sportsman back from Ceduna and make him a roving public relations officer.

Many people have suffered over the years because of the old arrangement. It would be interesting to know what would happen to an officer who declined several transfers, but I am sure that a more realistic attitude is being taken now. The disciplinary clauses in the Bill are necessary. They are rarely used, but at least we are establishing a tribunal comprising three people. Clause 11 relates to personal loan. Again, this is a realistic amendment, because it allows the trustees to make personal loans, with security, for up to five years instead of three years. The provision probably still is somewhat restrictive from the bank's point of view, as I think the bank or its trustees should be allowed to use discretion in approving secured loans. If a loan was made for five years but something happened during that time to justify an extension the term could be extended. I have sufficient faith in the trustees to think that they would not make secured loans for an undue term, and I would question the reason for including this provision in the Bill.

When a personal loan is secured, the only problem is whether the customer can repay it and, if the branch manager does his homework, little risk is involved. Clause 12 increases the scope of investment by the bank and is a realistic provision. It is high time wider powers were given to invest funds. Clause 13 allows the bank to establish agencies in any part of the world and deletes a provision relating to payments by minor depositors who do not reside in South Australia. In this modern day and age, it is most important, particularly as the bank is involved in a successful travel agency business, that it be able to establish agencies throughout the world and offer clients the opportunity to make agency arrangements, as they are called, instead of people having to carry large sums of money or many travellers cheques with them.

Clause 14 relates to the school bank department, and probably every member of this House has benefited from the bank's school bank system. At present, the limit on deposits is $2 and a person must be 12 years of age or more before he can register his signature to operate his saving account. The present policy of banks is to send representatives to schools to educate children in how to deal with bank accounts. The private trading banks have found that a child feels more independent when he can write his signature and operate freely on the bank account, although this may need to be supervised by the parent. If the manager of the branch considers that a junior depositor is competent to handle his affairs, the depositor should be encouraged to do so.

The upper limit of $2 has been too restrictive in the past few years, and I think we are doing the right thing by deleting it. The bank will obtain a big advantage and, if the arrangement is promoted properly, it should be able to expect large increases in school bank deposits. School bank deposits are keenly sought after by the private trading banks, which are restricted to the private schools. The Savings Bank has always been fortunate in enjoying the privilege of having the sole agency within all State Government schools. I wonder whether the Government would consider it fair in a democratic society (I know that the Savings Bank would not permit it), that all banks should be able to enter the State Government schools bank field. I know that private trading banks have been keen to do this for many years, but the Savings Bank jealously guards the monopoly it has over the school bank section of our State Government schools. However, I hope that the Government will one day be realistic enough to offer all schoolchildren the opportunity to bank with the bank of their choice because, after all, that is part of the free enterprise system in a democratic society.

I was horrified when I learnt that some Commonwealth Bank managers once insisted that all members of the one family who wished to have a bank account had to maintain that account in the Commonwealth Bank. The Savings Bank has the opportunity, through State schools, to encourage schoolchildren to operate their own accounts under parental supervision, and this teaches the children at a reasonable age the principles of banking practice. Clause 15 deals with the ordinary business of the bank and modernizes the bank's functions as a savings bank. This clause is most necessary, because the bank for a long time has been restricted to a degree because it has not been able to compete openly with the private trading banks. Clause 16 deals, again, with minors who operate bank accounts, as does clause 17, which I think deletes one of the most objectionable phrases in the Act. Clause 18 refers to the interest rates on accounts under the control of the Supreme Court, where moneys are placed with the bank. This clause will allow greater flexibility, and is most realistic. Clause 19 refers to interest rates on amounts deposited with the bank by the Official Receiver. Clause 20, which amends section 46 of the principal Act, is probably the most contentious clause. I am unwilling to accept the Premier's explanation of this clause. Tn his second reading explanation, the Premier said:

> This is part of the rationalization between the two banks and it will not be necessary for Savings Bank managers to communicate with the local State Bank manager and say, "Will you approve this?" The administrative arrangements of the two bank boards relating to the categories have been worked out and will be communicated to the staff. There should be no difficulty about operating this arrangement and it should be continued as a service to people who already are operating a Savings Bank account.

Clause 20 allows the Savings Bank at last to open credit company accounts. If a client banks with the State Bank and wants to open a credit account with the Savings Bank, the Savings Bank manager must obtain the State Bank manager's approval before opening such an account. The Premier said that this provision will no longer be necessary, but we have not been told about the arrangements between the two boards of the banks or what is intended between the management and the staff. My advice to Savings Bank managers is that, if someone comes in and wants to open a credit company account, they should open one. I know that I would not seek anyone's approval to open such an account if I were the bank manager. I take it that that is what the Premier intends, and I hope that the staff will adopt that attitude. A Savings Bank manager who had to ask the manager of his opposition bank for approval to open a credit company account could be placed in an embarrassing and difficult situation.

Dr. Tonkin: It's unrealistic.

Mr. BECKER: Yes. I hope that there will be no repercussions if any officer adopts that attitude. Clause 21 refers to bank accounts at other banks. The system was

adopted, probably at the inception of the Savings Bank, that the private trading bank closest to the Savings Bank acted as its clearing bank. In other words, after the Saving Bank had closed its doors at 3 p.m., its officers cleared the tills of the cash and cheques, took them to the clearing bank, and deposited them there. This money was credited to an account and the funds were transferred by that branch's drawing a cheque for the head office account. For many years the Savings Bank has used private trading banks as a clearing house or as its bankers, and the private trading banks have appreciated the benefit of the deposits they have held in their account overnight. Some private trading banks have been reluctant to engage in savings bank operations, because the Savings Bank of South Australia has deposited considerable amounts through the branches of the various banks and at head offices. In my case it was something that we considered for a long time before doing anything.

To change that system and use a modern internal clearing house system within the framework of the bank is realistic, and had to come. I am surprised that it has taken so long. The Savings Bank management and staff should be commended for having resolved that situation, although it will mean a loss of funds to the private trading banks. Clause 22 relates to the repayment of deposits. I am explaining the reasons for the introduction of these amendments and their effect on the principal Act, because members should know how this bank operates, as it has served the State extremely well. If a deposit of more than $100 had to be withdrawn from a Savings Bank account the depositor had to give notice, but clause 22 amends the Act so that this procedure is no longer necessary. He may withdraw $1 000 on demand if he wishes, and this is a realistic attitude. The previous provisions were too restrictive and no doubt embarrassed the staff. Clauses 23 and 24 relate to interest calculations, and clause 25 repeals an out-of-date section of the Act.

Clause 26 relates to the sale of deposit stock and, again, adopts a realistic attitude. Previously, notices had to be sent to depositors informing them when interest was due and payable. It has been estimated that about 20 000 notices had to be sent out and at the present postage rate the bank would have to pay about $1 400. This provision will benefit the bank, and I understand that no other bank has followed this practice for many years. Clause 27 streamlines the concept of the term "net profits" and conforms with modern banking practice. Clause 28 relates to the payment of fees to the Chairmen of the various committees established by this Bill. These amendments were necessary, have modernized the operations of the Savings Bank, and provide certain benefits to the staff, and for those reasons I have pleasure in supporting the Bill.

Mr. SIMMONS (Peake): I, too, support the Bill, which provides many admirable improvements to the Savings Bank Act. I agree with the statement of the member for Hanson that the bank has provided many eminent people to serve on the Bank Officials Association, and many life members of the association have been members of its staff. Some have become general managers of the bank, and officials of the Savings Bank have played a major part in the association's activities, especially in opposing opposition to the nationalization of banks. I support the member for Hanson when he paid a tribute to officers of the Savings Bank. In the late 1940's, I was Secretary of the Savings Bank Sub-Branch of the B.O.A. of S.A., and subsequently I helped form the South Australian Branch of the Australian Bank Officials Association, which is the association referred to in this Bill. I remember that one of the most important things I did was to give a casting vote to enable the appointment, as General Secretary, of Mr. Rees D. Williams, who today was appointed as one of the first non-lawyers to be a Presidential member of the Commonwealth Arbitration Commission. He was previously an officer and later a Commissioner of the State Savings Bank of Victoria, a similar institution to the Savings Bank of South Australia, and today was appointed to the commission.

Clause 6 deletes a section that provided for the giving of security by persons employed by the bank, and is long overdue. When I joined the bank in the 1930's it was even necessary to obtain the bank's approval to be married, and one really was owned by the bank in those days. Clause 7 provides for the classification of officers, and this is a long overdue provision. In the late 1940's the bank decided to classify certain officers above the automatic scale that operated for the first 18 years, and they offered the association a set-up with an independent Chairman and representatives of the bank and the association. After prolonged negotiations the Chairman of trustees stated that the board had decided to appoint his brother as the independent Chairman. We forthwith withdrew from the scheme for two years until the officers decided it was worth while being in it. I never believed that it was, and I think that they have found over the past 20 years that I was right. This clause provides for an independent Chairman, a representative of the bank, and a person nominated by the association. It is a big improvement.

It is pleasing to see in clause 8 that the retiring allowance will be now calculated on a more satisfactory basis. The use of a notional salary for the offices occupied by the officer during the last three years of his service will ensure that in an inflationary situation the officer will not be penalized because of rapid salary rises in that period. Clause 10 enacts new provisions for proper procedures in filling vacancies. Again, it is pleasing to see that this new Division, which is being inserted in the principal Act, will provide for an Appointment Appeals Committee, again with an independent Chairman who can be regarded as being truly independent and as satisfactory to officers and the bank alike. This Division also covers discipline. I can remember looking through the vaults of the bank one day and coming across a letter in which a supervisor in the last century complained about one of his officers, who, at dinner on a Friday evening (they used to work at that time then), had evidently imbibed a bit freely and later had called the supervisor a bloody Arab. The supervisor objected to the term. Although discipline is no longer as bad as that, nevertheless these new sections still include provisions for the discipline of officers who use intoxicating liquor or drugs to excess.

New section 26n is most satisfactory. It provides for the procedure in cases of suspension. One of the last things I did as Secretary of the South Australian Branch of the Bank Officials Association was to set in train the prosecution of the bank because it had suspended an officer for six weeks, then dismissed him, and denied him the pay to which he was entitled during that time and also pay in lieu of notice. New section 26n will prevent that sort of thing from happening and prevent the bank from needing to be taken to court for the officer to get elementary justice. The Premier and the member for Hanson have dealt adequately with other matters. I support the Bill, believing that the conditions of officers will be materially improved by its provisions.

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

ADJOURNMENT

At 11.28 p.m. the House adjourned until Thursday, October 18, at 2 p.m.