HOUSE OF ASSEMBLY

Thursday, November 18, 1976

The SPEAKER (Hon. E. Connelly) took the Chair at 2 p.m. and read prayers.

ASSENT TO BILLS

His Excellency the Governor, by message, intimated his assent to the following Bills:

Brands Act Amendment,
Cattle Compensation Act Amendment,
Medical Practitioners Act Amendment,
Prices Act Amendment,
Rundle Street Mall Act Amendment,
Stock Diseases Act Amendment.

PETITION: SUCCESSION DUTIES

Mr. LANGLEY presented a petition signed by 55 residents of South Australia, praying that the House urge the Government to amend the Succession Duties Act so that the existing discriminatory position of blood relations be removed and that blood relationships sharing a family property enjoy at least the same benefits as those available to *de facto* relationships.

Petition received.

PETITION: LICENSING ACT

The Hon. J. D. CORCORAN presented a petition signed by 31 residents of South Australia, praying that the House urge the Government to amend the Licensing Act to rescind the privilege of clubs being able to supply liquor on Sundays and to keep hotels closed for public trading on Sundays.

Petition received.

OMBUDSMAN'S REPORT

The SPEAKER laid on the table the report of the Ombudsman for 1975-76.

Ordered that report be printed.

QUESTIONS

RIVERLAND FRUIT PRODUCTS

Dr. TONKIN: Will the Premier say why the terms and conditions of the proposed loan conversion to Riverland Fruit Products are not yet available to the co-operative so that it can make desperately needed payments to growers, and what action the Government is taking to relieve the present critical situation? At a meeting of shareholders of Riverland Fruit Products held last Friday, a motion accepting the Government's offer was passed, but the terms and conditions of the offer were not available, even though the Premier had announced the proposal nearly six weeks previously. The member for Chaffey asked for clarification last week, and was not given a satisfactory answer. Growers in the Riverland have expressed grave concern, and believe that the proposal was conceived in haste, and that there are problems which are difficult to overcome. Their concern has been increased by recent revelations that pay-roll tax concession schemes for certain areas of the State, although announced 12 months ago, have not yet benefited even one company, and that no pay-roll tax incentives have been granted under that scheme. The situation is critical for many of the growers; they have sent a telegram to the member for Chaffey expressing this view. The growers want action, not promises.

The Hon. D. A. DUNSTAN: The growers will get action. The Government has informed the company that it will get pay-roll tax exemptions and that its loan will be converted to a grant. It is necessary, however, to have the company's management investigated and to ensure that the mode in which the money is used is of direct benefit to the growers. What has already come out of the investigation is that money which was the subject of the loan and which was for payment in respect of a later year's crop has, without authorisation, been distributed ahead of time for a previous year's crop, and the company is having to make clear to the Government exactly what it has done in the administration of this matter. The aim of the Government's loan conversion to a grant was made perfectly clear, namely, that we required better accounting in management, an improvement in marketing activity, and agreement to the imposition of a quota system (a quota system which was not simply on a historic basis but which would allow smaller growers an equitable share of the scheme). That whole matter, having been announced, cannot be worked out in six weeks, and the Leader and the member for Chaffey must know that.

Dr. Tonkin: That was the impression they were given.

The Hon. D. A. DUNSTAN: I do not know what the Leader says is the impression that they were given. I certainly did not say that it would be worked out in six weeks.

Dr. Tonkin: Your press release gave the impression that it would be forthwith.

The Hon. D. A. DUNSTAN: The Leader cannot point to anything in my press release that says anything of the kind.

Dr. Tonkin: I can.

The Hon. D. A. DUNSTAN: No, the Leader cannot. Originally, the press release made clear that our offer was conditional on the Commonwealth's coming to the party as well. When it refused to do so, after our pressing it for an answer, the Government held a special Cabinet meeting to get appproval for us to proceed with our conversion nevertheless, and the growers were promptly told about that. All that the Leader and the member for Chaffey are doing is trying to go along with this business that is part of the campaign of the Federal member for the district, saying that all the Government is doing on this matter, by giving a grant to the company, is grandstanding. I am sure that the growers will find, as a result of the grant, that we are not grandstanding, but the company management is going to have to account to the growers for what it is doing. The investigations in this matter are proceeding, and announcements will be made.

Dr. Tonkin: When are they likely to get some money?

The Hon. D. A. DUNSTAN: I cannot say at this stage when the company is going to make a pay-out.

Mr. Arnold: Because the Government has to lay down the terms.

The Hon. D. A. DUNSTAN: The Government is discussing this matter necessarily with the company management.

Mr. Arnold: The management wants to know what you're doing.

The Hon. D. A. DUNSTAN: The honourable member wanted to know yesterday why the Government has not achieved an agreement with the company as to the terms which we laid down and which obviously require investigation and discussion.

Members interjecting:

Dr. Tonkin: Could you give an estimate?

The SPEAKER: Order! There are far too many interjections.

The Hon. D. A. DUNSTAN: I do not propose to do so or to go along with the Leader's trying to play the shabbiest of politics in this matter.

Members interjecting:

Mr. Dean Brown: You're trying to cover up your administrative failures.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: There is no administrative failure in this matter at all.

Mr. Coumbe: The growers don't agree with you.

The Hon. D. A. DUNSTAN: Oh, yes they do, all right. The honourable member may be able to get a few to sign a telegram amongst those whom he may have misled, as the Federal member has been trying to do to the growers concerned. The Liberal Party does not like the fact that we have been looking after the growers in the district and that we have set out to try to help them.

Dr. Tonkin: But you haven't.

The Hon. D. A. DUNSTAN: The Leader's attitude is that he does not want to see any payment made, but I can assure him that he will be disappointed.

MEMBER'S REMARKS

Mr. KENEALLY: Will the Leader of the Opposition condemn the statement of the member for Alexandra, as reported in today's *Advertiser,* and dissociate himself and his colleagues from that statement? Since the statement was made, the Leader and his colleagues have had ample opportunity to condemn and dissociate themselves from that statement, and their failure to do so must be considered as being *de facto* acceptance of it. Is the Leader prepared to put the record straight and say whether or not his Party and the Opposition support such sentiments?

Dr. TONKIN: First, I point out to the honourable member that this matter is still before the House and being debated. I point out further to him, in case he was not here, that the matter was referred to by the member for Murray, the member for Eyre, and the member for Mount Gambier, who is speaking in that debate at present. If the member for Stuart had been listening to those contributions, he would have learnt clearly that the interpretation that has been placed by the media on certain remarks made by the member for Alexandra is not that of the Party as a whole, and is certainly not that of the Opposition.

Mr. Keneally: Will you repudiate that statement?

Dr. TONKIN: I suggest that the honourable member would do better on such a sensitive subject, which causes us all grave concern, to stop politicking.

Members interjecting:

The SPEAKER: Order!

Dr. TONKIN: The terms of the honourable member's question undoubtedly involve politicking, and I simply say that everyone is concerned for the welfare of all sections of our community whether they be (to quote the member for Alexandra) "black, white, or brindle", or of any race or ethnic group.

The Hon. D. A. Dunstan: Is it fair that someone should insult a section of the community as he has done?

Dr. TONKIN: I can only say that the remarks of the member for Alexandra were made in a personal capacity. Every member on this side of the House has the right to express his own personal opinions from his own experience. I repeat that it does not in any way reflect the policy or the beliefs of individual members of the Liberal Party, the Liberal Party as a whole, or of the Opposition.

DEMAC BUILDINGS

Mr. GOLDSWORTHY: Will the Minister of Education investigate the safety of Demac units now used extensively in South Australia for school buildings in order to ascertain whether they are safe from fire danger? As a result of a question I asked about the flammability of toys that received publicity, I was telephoned about a week ago by a gentleman who was concerned about the safety of Demac units. Subsequently, he wrote to me and, to explain the question simply and succinctly, I read what this gentleman wrote to me, as follows:

Dear Sir,

I spoke to you last week about the inflammable nature of the wall-panel construction the Public Buildings Department at Netley, is using in the fabrication of the Demac (demountable accommodation) transportable buildings which are being occupied by school children and, etc. These wall panels are made from Hardiflex (asbestos cement) sheets on the outside and inside (see attached sketch) and foamed between with highly noxious and highly inflammable closed cellular polyurethane. This material should not be used in this form in buildings in which children are housed. Bayer, the German chemical company who supply the basic resins for polyurethane, are well aware of the potential fire danger that exists with this material, and its use is sometimes restricted where Bayer considers it too dangerous.

Members are aware of the dangers of synthetic material in fires. We have been made aware that many deaths are caused, even in house fires, because of noxious fumes given off from burning plastic material that is used in this type of construction. This is a matter of much concern, because these buildings are being used extensively by the Education Department. For that reason I undertook to raise this matter. Is the Minister aware of this danger? Does he believe the danger exists? Will he investigate the facts that have been put to me by this gentleman?

The Hon. D. J. HOPGOOD: I will obtain what additional information might be pertinent to this matter. As I understand it and as it has been described by the honourable member, what we have in the panel is a sandwich and the material he has described to the House is the meat in the sandwich, the two pieces of bread being the asbestos, which is not flammable. I assume it would protect the filling, in the sense that there would be no penetration by the flame of incandescent gas to the inside of the panel. Also, it would protect the interior from contact with oxygen, which is required for combustion to occur. The honourable member suggests that in the case of the whole material exploding this material would come into contact with the oxygen and the high temperatures and possibly combustion could take place. As I would be very surprised if the Public Buildings Department is not aware of the nature of the material and did not take advice before incorporating it in the panels. I shall get further information for the honourable member.

POISONS INFORMATION

Mr. LANGLEY: Will the Minister of Community Welfare ask the Minister of Health to consider the inclusion of the telephone number of the Poisons Information Centre on all containers of poisonous material? I have received a letter from year-4 students at Unley Primary School which, in part, states:

We think the telephone number of the Poisons Information Centre should be listed in the telephone book under "Fire, Police and Ambulance" on page 1.

I am pleased to see children taking an interest in this matter, and I congratulate them on bringing the matter to the attention of this House.

The Hon. R. G. PAYNE: On the face of it, it seems an excellent suggestion, and I will bring it to the attention of my colleague.

TABLET SALES

Mr. DEAN BROWN: Can the Premier say whether the Government will take immediate action to enable pharmacists to restrict the sale of certain tablets which, if taken in sufficient numbers, can cause hallucinations? Many tablets now available have no restriction placed on their sale, but they can cause hallucinations if taken in sufficient numbers. These tablets are not on the prescribed list, but many pharmacists are restricting their sale. However, under the provisions of the Prices Act the pharmacists are acting illegally, because they must be willing to supply any quantity requested. Section 33a (2) provides:

A person who has in his custody or under his control any goods (whether such goods are declared goods or not) . . . shall not refuse or fail, on demand of any quantity or number of goods . . .

Obviously, they are required to sell whatever quantity is requested. The pharmacists are concerned about breaking the law, but they are doing so to protect the public. I understand a request has already been made to the Minister of Health to allow the pharmacists to restrict the sale of these tablets that are not prescribed items. Subsection (3) of the same section provides:

In any prosecution under subsection (2) of this section it shall be a sufficient defence to show that on the occasion in question . . .

(*b*) the defendant was acting in accordance with a practice for the time being approved by the Minister;

I applaud the action pharmacists are taking in the interests of the community, and I ask the Government to act quickly to protect the pharmacists so that they can continue to protect some of the younger people in our community.

The Hon. D. A. DUNSTAN: This matter has already been raised by the member for Flinders, and I have undertaken to bring it to the attention of the Minister of Health and the Attorney-General, who is also Minister of Public and Consumer Affairs. I will let that member and the honourable member have a reply in due course.

SOCIAL SECURITY OFFICES

Mr. OLSON: Can the Minister of Community Welfare confirm that the Marion district office of the Commonwealth Department of Social Security is to be closed soon and, if it is to be closed, can he say why? I am greatly concerned that the Federal Government should be closing offices of the Department of Social Security when, because of the increase in population, welfare entitlements are so much sought after. This especially applies in the Semaphore Park and West Lakes area where many families are one-parent families depending on financial assistance. Because of this position, will the Minister immediately investigate the possibility of having the Federal Department of Social Security establish an office in the West Lakes Mall to alleviate the need to travel to the city for service from that department?

The Hon. R. G. PAYNE: Regretfully, I have to tell the honourable member that the reply to the question is "Yes". I have been officially informed by the Deputy-Director of Social Security in this State that it is intended to close this office on November 26, at 5 p.m. Members are possibly not aware that the office to which I am referring is located in the Marion shopping centre, which is visited by thousands of people from surrounding districts. It seems strange that that office is to be closed. Residents in that area who visit that office and who need a service from the Department of Social Security will now have to travel to the district office at Glenelg or to the main office at 1 King William Street, Adelaide. The policy of the State Community Welfare Department is one of decentralisation and for some years the Government has made sure that the department has decentralised and has located offices among the people in areas in which people have access to them when service is needed. I understood that the same policy applied to the Commonwealth department, but it would seem that that is not so. I have written to the local Deputy Director stressing my concern about this and asking whether this indicates a change of policy by the Federal Government.

RESEARCH ASSISTANTS

Mr. RODDA: Can the Premier say why the Premier's Research Assistant (Miss Adele Koh), is paid at the base rate of $16 511 a year, which is the rate for press secretaries, when the Leader's Research Assistant is paid on a base scale with a maximum of $11 381? The reply to a question of the Premier about Ministerial staff on November 9, (page 1970 of *Hansard*) shows that the Premier's Media Co-ordinator, his Press Secretary, his Private Secretary, and his Research Assistant are all on base salaries of $16 511. Other Ministerial officers doing comparable work are paid at rates in excess of the $11 381 maximum base rate paid to the Leader's Research Officer. In a report in this morning's *Advertiser* the Premier has carefully avoided referring to the officers listed above, other than to say that his press secretarial staff is no greater than that of the former Liberal Premier, Mr. Hall. This is not true. There were two press secretaries, and a research officer to serve the Premier and the entire Cabinet of that time, a sharp contrast to the present situation. Why does the Premier discriminate against the Opposition by authorising the payment of press secretarial rates to his Research Assistant, and much lower rates to the Leader's Research Assistant?

The Hon. D. A. DUNSTAN: The payments to Ministerial staff are as a result of the fixing of a Ministerial staff salary range. That salary range was based upon relativity with the journalists' award. Officers were then assigned to specific stages in that salary scale, according to their experience and ability.

Dr. Tonkin: They are at the top limit of the scale, but my officer is not.

The Hon. D. A. DUNSTAN: I am not aware of that but, if the officer warrants a higher level in the scale, we would certainly consider that.

Dr. Tonkin: But that is the scale.

The Hon. D. A. DUNSTAN: I do not know to what the honourable member is referring. If he seeks reclassification of his officer, we will examine that matter. It will be examined in the normal way. I have not discriminated against the Opposition in relation to research staff. It was I who provided, without being asked, a research officer to the Opposition. I had been denied it when I was Leader of the Opposition by the Government of which the honourable member was a member.

Mr. Rodda: Answer the question!

The Hon. D. A. DUNSTAN: I am doing that, because the honourable member suggested I am discriminating against the Opposition. I provided the Opposition with a research assistant, without being asked.

Dr. Tonkin: He means about the difference in the two rates of pay.

The Hon. D. A. DUNSTAN: I do not proceed to look at every officer employed by the Opposition on a reclassification basis. If there is a claim for reclassification, it is dealt with. We provided research assistant staff to the Opposition that I had been denied when I was Leader of the Opposition. I did not have anyone to do press work or research work for me when I was Leader of the Opposition. I requested it: in fact, I had to go around Australia raising enough money to be able to pay staff, because that staff had been denied to me. In addition, I have provided two research officers in the Parliamentary Library, available to members, so that additional research work can be done. Members of the Opposition have been using the research staff in the Library, very properly. Far more has been given to the Opposition by this Government than was given by it to us when we were in Opposition.

Dr. Tonkin: This is basically the difference between the two salaries, isn't it?

The Hon. D. A. DUNSTAN: I have already explained. If the honourable member believes that his officer should be reclassified on the basis of salary, he can make the application. I am not responsible for a failure to make an application in the matter or a failure to get a reassessment, and I cannot say what the assessment would be until it had been made.

MEDIBANK

Mr. SLATER: Will the Minister of Community Welfare ascertain whether the Minister of Health is aware of any medical practitioner in South Australia having refused to treat a patient who is covered either by the Medibank private or standard scheme? If he is, what action is likely to be considered necessary to ensure that all patients receive adequate medical attention?

The Hon. R. G. PAYNE: I am not aware of any patient being refused treatment in the circumstances outlined. I suggest that, if this is the case, it is an alarming position. Accordingly, I shall bring the matter to the attention of my colleague and obtain a report as soon as possible.

CONSUMER PROTECTION

Mr. BECKER: Will the Attorney-General investigate and tell the House what action the Commissioner for Consumer Affairs can take against retailers advertising certain goods as a special in cases where the sales staff accept cash orders, with no guarantee of delivery of the goods so advertised? In this morning's *Advertiser* appears an advertisement, as follows:

Scoop purchase—Bar-B-Q setting. Redwood stained, exclusive to the softies. Now on display at all branches. We're almost giving them away at this price. Personal shoppers only. £39.

About 40 or 50 people lined up in front of the store at Jetty Road, Glenelg, and, when the door was opened, the people rushed into the store and paid their money to the sales staff. A lady who was tenth in the queue was told, "Sorry, none left." There was quite an amount of discussion going on in the store, and the manager said that they had only about 100 to 150 sets for the whole of the company. I rang the Managing Director when six of the shoppers came to my office, obviously incensed, and of course spurred on by the Attorney-General's campaign regarding consumerism and consumer protection. He said they had had about 60 for the company, but that the staff should not have accepted cash and given receipts, and therefore should refund the cash to the shoppers. The shoppers were sufficiently incensed to want the goods for which the sales staff had accepted the cash. I was also told by those who saw me this morning that several people had paid cash, were given receipts, and had paid $6 to have the items delivered, but at this stage there is no guarantee that the goods will be available. Because of the Attorney's campaign, I contacted the Consumer and Public Affairs Department and, after several attempts, was told by the switchboard operator that the department had been inundated with inquiries in relation to a certain firm. Because of the concern and the campaign for consumer protection for the public, what action and what advice can the Attorney-General offer?

The Hon. PETER DUNCAN: I am pleased to have had the message from the honourable member that my campaign is proving so successful. I was aware that people had complained to the department this morning regarding the matter and, as a result of that, we are investigating it. If the honourable member so desires, I shall bring down a report for him when the investigations have been completed.

AUSTRALIAN ASSISTANCE PLAN

The SPEAKER: The honourable member for Florey.

Mr. Gunn: Dear Dorothy—

Mr. WELLS: Kind regards and best wishes.

The SPEAKER: Order!

Mr. WELLS: Has the Minister of Community Welfare any new information about the future of the Australian Assistance Plan? During the conference of Social Welfare Ministers in Darwin last May, the Federal Minister (Senator Guilfoyle) announced that Federal funding for the A.A.P. would cease on July 1, 1977. I was shocked. Since then, I understand, the Minister has been trying to get the decision reversed, I hope with some success.

The Hon. R. G. PAYNE: Unfortunately, to date I have had no luck in the matter, nor have I had any success. However, I have not given up. Members probably will recall that, following the Darwin meeting, South Australia offered to take over administration of A.A.P. in this State if Federal funds were provided. After a delay of several months, a reply was received from the Senator simply re-affirming the Commonwealth offer made in Darwin in May that, although we would not get any money, Commonwealth officers would be made available to help us in the transition period. Meanwhile, Ministers have not given up. The New South Wales Minister for Youth

and Community Affairs (Rex Jackson) has called a meeting in Sydney tomorrow to discuss the matter further and to make representations to the Commonwealth Minister. I understand that all State Ministers are attending, including, of course, Liberal State Ministers from those States unfortunate enough to have that type of Government. As I understand the matter, and from what was said in Darwin by certain of the Liberal State Ministers, including Mr. Dixon, from Victoria, strenuous efforts will be made to have the Commonwealth reconsider the future of this plan and, hopefully, at least to see reason and come forward with some sort of proposal by which the States and the Commonwealth can get together and work out some kind of salvation for most of the ideas which prevailed under the plan and which in some way should be continued. I can only say that, judging from the attitude that was projected by the Federal Minister in Darwin and also the subsequent long delays that occurred after written submissions were made by this State, it does not look promising. I wish that I could assure the honourable member that the position was otherwise. However, I can only say that I do not give up easily and that the same applies to other Ministers in other States. Ministers will be meeting in Sydney tomorrow to again try to get Senator Guilfoyle to admit finally that the Commonwealth was wrong in deciding that the plan should not continue and wrong in cutting off funds in the way it did.

Mr. Millhouse: You're an optimist if you think that.

The Hon. R. G. PAYNE: I may be an optimist, but I know that the people of Australia accepted the plan as such. That acceptance has been borne out by subsequent comment all over the country about the failure of the Federal Government in this area. There may be room for argument about whether the Commonwealth Government should follow certain economic policies. It may be arguable that the Commonwealth Government is entitled to follow its economic plans, but no-one would argue that the Australian Assistance Plan was a bad plan or that it should have been abandoned in the way that it was. Abandoned is the only word that prevails: the plan was abandoned, and no real provision was made by the Commonwealth with any State Government to ensure that the plan could continue. It was, at the very least, extremely ridiculous for the Senator to say that the plan was good, that it should continue, and that we could have it, but that funds would be cut out at the same time. I hope that Senator Guilfoyle has had time to reconsider what was involved in the plan and to realise that it offers a good return for a modest investment, that it offers a return all over Australia, and that it is a concept that should be continued. The State is willing to continue it on a State administration basis. South Australia will take the plan off the Commonwealth's hands without any worry to the Commonwealth. South Australia has demonstrated that it can handle these matters.

Mr. Millhouse: Better, if I may say so.

The Hon. R. G. PAYNE: If we were called on we could advise or assist Liberal States if they wished to set up our version of the Community Councils for Social Development, wherein local people are invited to participate directly in the provision of welfare services in their area. The Australian Assistance Plan adopted the same idea: the same general consideration was to apply to the whole country.

Mr. Venning: What—

The Hon. R. G. PAYNE: The member for Rocky River bases his idea and his evaluation of the plan on the front cover of one magazine. For the first time in his life the honourable member saw the ouline drawing of a lady without any clothes. As far as I can ascertain, that upset the honourable member so much so that he has never recovered and has not been able properly to evaluate the Australian Assistance Plan. It is a sad situation, but if that is the manner in which the honourable member forms his evaluations it does not auger well for his reputation in his district. Anyway, something is likely to happen about that soon.

CULTURAL HERITAGE

Mr. BOUNDY: Can the Premier say what action is being taken to preserve and display our cultural heritage, particularly with regard to music and drama? Can he also say what more the Government is willing to do to preserve the rich heritage that is ours? Recently I had discussions with an officer of the National Library in Canberra about this matter. That library and the Mitchell Library collect such works from all parts of Australia. Those works are then stored in the libraries' vaults and are available only to students and researchers who are interested in such people and such works. I understand, too, that an officer of the National Library recently visited the widow of Peter Dawson and ascertained that, had he not called on her, the original works of that great South Australian may have been lost forever. South Australia has a long and distinguished list of such artists and such works. I therefore ask whether an institute or similar body could be established to collect and display works and such items of history for the benefit of present and future generations.

The Hon. D. A. DUNSTAN: I am pleased that the honourable member is interested in this subject. The Government is now considering it, but it is not possible to make an announcement at this stage.

UNEMPLOYMENT

Mr. MAX BROWN: Will the Minister of Community Welfare approach the Federal Minister for Employment and Industrial Affairs (the Hon. Tony Street) to discuss with him the possibility of obtaining a much-needed co-operative policy between the Commonwealth Employment Service and the various job hunters' clubs, which are subsidised by the State Government and which operate throughout various areas of the State? I am sure that the Minister realises that the Commonwealth Act in relation to this matter does not permit the Commonwealth Employment Service to allow any person, organisation, or club access to the names or addresses of unemployed people. I point out that in certain instances the Commonwealth Employment Service could communicate with unemployed people on a co-operative basis on behalf of job hunters' clubs. The Commonwealth Employment Service has a role to play in the registration of unemployed people and in assisting to find them jobs. In my opinion, job hunters' clubs should make every effort to foster people's jobs so that they are encouraged to get together and train for future employment. Without the co-operation of the two bodies the aim of the job hunters' clubs cannot be achieved, and their operations will be insignificant.

The Hon. R. G. PAYNE: I can see merit in the honourable member's suggestion that there should be co-operation between the Commonwealth Employment Service, which would have reasonably accurate knowledge

about the number of unemployed in an area, and job hunters' clubs. I can also see considerable merit in present Commonwealth law that restricts access to the detail to which the honourable member referred. It seems to me that the best way that I could help the honourable member would be for me to discuss the matter with the Minister of Labour and Industry and, after we have had discussions, maybe an approach could be made to the Federal Minister concerned.

KANGAROOS

Mr. ALLEN: Can the Minister for the Environment explain to the House the system used by his department to determine the approximate number of kangaroos in certain areas of the State? On October 2, 1975, I asked the then Minister of Environment and Conservation (Hon. G. R. Broomhill) about the number of kangaroos in certain areas in the North of South Australia. I went on to say that I had been approached by landowners in the area concerned who were critical of the system that was used by the department in determining the number of kangaroos. The landowners claimed that the time of day during which the investigation was conducted prevented an accurate estimate being made of the number of kangaroos. The Minister, in his reply, stated that what I have said was incorrect. He then went on to say that the system that I had described was not the one applied by the department. In view of the campaign waged by the Australian Wildlife Protection Council, which is headed by Mr. Queripel, it is necessary that the public be made aware of the true situation regarding kangaroos in this State. Motorists on some of the roads in the Mid North are becoming concerned at the numbers of kangaroos in the State, some of which migrate south. As members know, kangaroos do not like competing with sheep for fodder; they have the habit of grazing on the side of the road to get the fresh green feed. During the day, we all like to see some kangaroos on the side of the road, because they are a lovely sight, but at night they are a menace to motorists. One motorist even suggested to me that I should ask the Minister of Transport what he intended to do about the Minister for the Environment's kangaroos grazing on the road and presenting a danger to motorists at night. I think it is up to the Minister's department to give a true picture to the public in order to counter the tourist boycott being attempted by the Australian Wildlife Protection Council. No doubt all members will have observed the advertisement on this subject which appeared in last Wednesday's *Advertiser* and which took up about three-quarters of a page. Many people believe that, if the money spent on the advertisement had been spent on establishing watering points in conservation parks, it would have been better spent.

The Hon. D. W. SIMMONS: I would not disagree with the honourable member's final statement. If Mr. Queripel could be persuaded to give some of his surplus funds to the department for the purpose of conserving wildlife, I am sure that we would get a much better result as a consequence. A lady in a Victorian branch wrote to me some weeks ago congratulating the South Australian Environment Department on the efforts it is making to protect kangaroos, and offering to give us monetary as well as other assistance. We wrote back and gratefully accepted but, so far, we have not seen any money. Presumably Mr. Queripel has raked it off in the meantime. I assure the honourable member that the account given in the advertisement is unreasonable and unbalanced. From my observations in the Flinders Range only a few weeks ago I am able to say that there is no danger whatsoever that kangaroos are likely to become extinct. When we were returning from Wilpena to Oraparinna one night we counted about 100 kangaroos in the car's headlights. The method of carrying out kangaroo counts is necessarily inexact. The counts are conducted on a regular basis, and the ranger on the West Coast with whom I spoke at the opening of the Eyre Highway said that this took up a considerable amount of his time, as he must go away regularly and conduct the counts at intervals. The count is done, I believe, by making a traverse across an area and noting the number of kangaroos seen on that traverse, but I am unable to give offhand the exact details of how the count is carried out. I shall be pleased to obtain a detailed report for the honourable member.

ANSTEY HILL WATER TREATMENT PLANT

Mrs. BYRNE: Will the Minister of Works obtain for me a report on the progress that has been made to date on the Anstey Hill water treatment plant, together with any other relevant information?

The Hon. J. D. CORCORAN: I shall be pleased to do so. I can tell the honourable member that the works are proceeding on schedule, but for the details I will have to go back to the department and obtain a full report on the progress that has been made and a clear indication, if possible, of when the works will be completed and when we can expect crystal-clear water from the works.

DOG FENCE

Mr. GUNN: My question to the Minister for the Environment concerns the problems being experienced by the Fowler Bay Dog Fence Board. The Minister will recall that, at the opening of the Eyre Highway, board members approached him about the problems they were having. I also understand that the Premier was approached by board members when he was at Ceduna recently. Earlier this week, I received a letter from the Secretary (Mr. Ashby), from which I quote as follows:

I have been requested by the board to write to you and request that you inquire as to what has been done regarding the closing of the dog fence in the Far West of the State. No word has been had to date from the Minister for the Environment following submissions to him at Nullarbor at the opening of the new highway, or since from the Hon. the Premier, Mr. Dunstan, seen recently at Ceduna on October 28. Nothing further has been heard from the Dog Fence Board other than to understand that they have made submissions to the Environment Department. The matter has reached frustration point and negotiations seem to get nowhere. I am enclosing the figures which the board presented to the Premier, Mr. Dunstan; they are possibly different to those presented by the Dog Fence Board. However, this board considers they would be fair estimates to consider in upgrading the old division fence which is what it considers is desired.

I should be pleased if the Minister could have some action taken in this matter. He would be aware that his department has been having negotiations for a long time. As this is not the first time these people have approached me on this matter, I should be pleased if the Minister would decide, so that this matter could be cleared up once and for all.

The Hon. D. W. SIMMONS: On the day on which the Eyre Highway was opened (September 29, I think), I met a deputation of local farmers in the area referred to by the honourable member and said that I appreciated their difficulties. As I understand it, the proposal is to relocate the

dog fence at the western end of Yalata, which will require a new fence of about 62 kilometres at a cost of about $62 000 and which would eliminate an existing fence line of about 165 km, of which, I think, 45 km is through the area that will shortly become the Nullarbor Conservation Park. The balance of the fence (another 102 km, I think) is through the Yalata Aboriginal Reserve. So, there would be a shortening of the total length of fence by about 103 km if the new fence were erected, and this would reduce the commitment to the Government in respect of the existing fence line to that extent. It would absolve my department from any further responsibility for maintaining the dog fence through Nullarbor Station.

The honourable member will appreciate that the National Parks and Wildlife Division would be pleased not to have the dog fence there, because it wants to restore that area to its natural state. I understand that there are considerable gaps in the fence on the northern part of the Yalata Aboriginal Reserve, as a result of which the dingoes are getting through into the land around Fowler Bay. It seems to be eminently sensible that we should shorten the fence. I believe that this has been recommended by the board, and I have taken up this matter with the Minister of Labour and Industry to see whether something could be done under the auspices of the unemployment relief scheme. In due course, I hope that we will be able to make an announcement along those lines. Certainly, it would not be practicable for the division to meet the whole of the cost of a new dog fence of about 100 kilometres or more to the east of the proposed conservation park. We may be able to make some small contribution to offset the reduction in annual maintenance charges, but $62 000 is beyond the capacity of the division. I will refer this matter to my colleague, and I hope to be able to tell the honourable member in due course whether we can assist in this direction.

MINISTERIAL STAFF

Mr. MILLHOUSE: Can the Premier say why the Government finds it necessary to have so many Ministerial employees to serve Ministers rather than relying on members of the Public Service, as has traditionally been done in South Australia? This question is supplementary to two questions I have asked on notice in the past two successive weeks, and to a rather extraordinary question (a footling question, if I may say so) asked by the member for Victoria today in which he seemed to be seeking increased perks for the Opposition rather than joining in what I would have thought was more appropriately an attack on the system. I do not propose to comment in that way any more.

The Hon. J. D. Corcoran: What about the time you asked for some clerical or other assistance as the Leader and only member of your Party?

Mr. MILLHOUSE: At the time I asked for assistance, as my predecessor (Senator Hall) had asked, there were four of us in the Party. We did not get any assistance from the Government. I believe what has now been given to the Liberal Party to keep it fat and content in opposition (and that is good tactics on the part of the Government) should have been shared with us.

The Hon. J. D. Corcoran: You would never be fat and content; you are not that sort of person.

Mr. MILLHOUSE: The Minister of Works may be envious of me—

The Hon. J. D. Corcoran: I am.

Mr. MILLHOUSE:—but I cannot help that. I will give him a lesson in morality later if he wants one. If I can now get on with the explanation of my question—

The SPEAKER: Order! The member for Mitcham must get on with his explanation.

Mr. MILLHOUSE: I think the question asked by the member for Victoria was probably prompted by an excellent article in today's *Advertiser* written by Mr. Greg Kelton in which I am reported accurately as saying that the present system is one of political patronage. Most, if not all, of the 37 Ministerial employees are political friends of the Government (supporters of the Labor Party), and they are in positions of very great influence. Two very grave disadvantages of the present system have been mentioned to me by public servants. The first is that there are constant tussles going on in the various departments as to who is senior to whom and who takes orders from whom. There is no defined line between members of the Public Service and the Ministerial employees. This causes—

Dr. Tonkin: There is not even a well-defined salary pecking order, is there?

Mr. MILLHOUSE: I am not so concerned about individual salaries, but I am concerned that the State is paying well over $500 000 for the friends of the Government to get their jobs and to be pushed as is convenient from department to department. As one has a row with someone, he is pushed to another department: he is never sacked, but just pushed to another place. If challenged to do so, I can mention names.

Mr. Gunn: Mr. Muirden?

Mr. MILLHOUSE: That was not the name at the back of my mind, but that may be another one. That is one of the disadvantages of the present system—that there is no line between the Public Service and the Ministerial employees in this matter as to who controls whom. More seriously still, I am told that the Ministerial employees are not subject to the normal disciplines and restraints of the Public Service. They do not have to sign on and off, they come in when they like, and I am told that when their Ministers are away many of them often do not turn up at all. These are grave matters. I point out to the Premier—

The Hon. Peter Duncan: They also work long hours when the House is sitting.

Mr. MILLHOUSE: They get richly rewarded for the "work" they do in this place, as the Attorney-General well knows. I notice in this article in today's newspaper that the Premier only tried to justify in any way at all four out of the 13 in his own department, let alone any of the other 37. I therefore put this question to him in the hope that he will say something that will show some repentance of the present system and a change from it.

The Hon. D. A. DUNSTAN: The honourable member spoke as though Ministerial appointments in South Australia are new.

Mr. Millhouse: They are, comparatively. At the time of the Playford Government there were none so far as I can remember and there were two under Hall.

The Hon. J. D. Corcoran: Let him finish first.

Mr. Millhouse: I won't interrupt you as you interrupt me!

The Hon. D. A. DUNSTAN: The honourable member has criticised the number of Ministerial appointments in my department. He said I tried to justify only four of them. That is not true. Four of the members of the Ministerial staff are in fact members of the inquiry unit of my department. I admit that the previous Government did not have such an organisation.

The Hon. J. D. Corcoran: It did not have any need for it. No-one inquired.

The Hon. D. A. DUNSTAN: No-one went to them to inquire in the way they come to me. Ever since I have been a Minister, people in this State have seen me as someone who will stick up for their rights if they find they are not getting anywhere with problems. When I was Attorney-General, I had to have officers dealing with the constant stream of people who came to my door at that time. When I was first Premier, the number of people who came to my door was so great that we had to establish a waiting room in the foyer outside the lifts in the old Police Building, with toys for children, because of the number of people coming into the department. Inevitably, when I returned to the Premier's office the same thing happened.

The people who we employed to deal with these matters were for the most part either retired people or people who were qualified to do the work but who were not within the Public Service. We were able to recruit some people from outside the Public Service. That pattern having been established, the two who joined from the Public Service and who have been added as an additional two inquiry officers beyond the two we originally had were the two who are specifically assigned to deal with ethnic minorities. The honourable member complains about the number. We have the smallest group dealing with ethnic minorities of any comparable State. In other States the staffing is much greater. I was not willing to provide a large Public Service staff in this area, because I believed that the problem could be best coped with by expert qualified officers in this area who were working in the inquiry unit.

Mr. Millhouse: What about the other 33?

The Hon. D. A. DUNSTAN: If the honourable member does not want me to give him a reply I will sit down. I do not mind.

Mr. Millhouse: I want you to deal with them all.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I am doing my best to give the honourable member the details. As soon as I start giving him the details he does not like it, because they do not justify what he is saying.

Mr. Millhouse: As long as you cover the whole lot.

The SPEAKER: The honourable member for Mitcham had an opportunity to ask his question, and the honourable Premier must be given an opportunity to reply.

The Hon. D. A. DUNSTAN: The two officers appointed to deal with ethnic affairs were well qualified social workers. One is of Greek birth and origin who is fluent in Greek. She is extremely well educated, she is doing a tremendous job in the Greek community and in the other range of ethnic minorities assigned to her position. The second officer, Mr. John Colussi, who is the senior officer, was formerly a regional supervisor in the Community Welfare Department. He is extremely well qualified, fluent in Italian, and doing a very good job with the Italian community in assisting them in a series of problems, in addition to helping other ethnic minority communities assigned to his job. Both these officers asked to come as Ministerial employees rather than as public servants. In fact, Miss Koussidis preferred to come as a Ministerial officer rather than remain in the Public Service and be seconded to a Ministerial position. Of the next part of the 13 people referred to, and the honourable member does not see this as a justification, there are four steno-secretaries. They simply perform the duties previously performed by steno-secretaries in the Public Service.

Mr. Millhouse: Why was that necessary?

The Hon. D. A. DUNSTAN: That was necessary to see to it that confidentiality was absolutely maintained.

Mr. Millhouse: Can't you trust the Public Service?

The Hon. D. A. DUNSTAN: Unfortunately, there has been set up by our political opponents a system of espionage within the Public Service.

Mr. Millhouse: Come off it! Not even your own Ministers approved of that.

The Hon. D. A. DUNSTAN: The overwhelming majority of public servants would not be a party to this, but in this House the Leader of the Opposition produced confidential documents stolen from the waste paper basket of the stenographer to the Director of my department, something which caused a police investigation within the department, I may say.

Dr. Tonkin: You are not suggesting I did that, are you?

The Hon. D. A. DUNSTAN: I am not suggesting that you went to the waste paper basket: you were just the recipient, and a somewhat eager recipient from what you did with it.

Mr. Millhouse: That is a very grave charge to bring against public servants.

The Hon. D. A. DUNSTAN: It is unfortunate that in some ways we are not able to guarantee confidentiality of documents that should be confidential.

Mr. Millhouse: Because of the Public Service.

The Hon. D. A. DUNSTAN: Not because of the Public Service at large.

Dr. Tonkin: That is an appalling accusation.

The Hon. D. A. DUNSTAN: It was determined that, in relation to certain confidential documents, we would rely on Ministerial stenographers, and we do so. Not all confidential stenographers are, in fact, Ministerial employees: Miss McMahon, for instance, is not, and she is my confidential steno-secretary. She is utterly and completely reliable.

Mr. Millhouse: Well, the others aren't, or apparently weren't.

The Hon. D. A. DUNSTAN: Somebody is not, we do not know whom, but in order to maintain confidentiality it was essential that we should see to it that we knew about the specific loyalty of steno-secretaries dealing with certain matters.

Mr. Millhouse: And that is Party matters!

The Hon. D. A. DUNSTAN: It is a loyalty to the Government and to the confidentiality of its work. The people who were recruited to do that work, necessarily, of course, have accepted positions which do not have the security of the Public Service, but they were willing to do that, and it was necessary for me to do it. It has been necessary for me, of course, to have more steno-secretaries in the total department than was originally the case because, within a short time of my taking over the Premiership from the honourable member's former Leader, the correspondence in the Premier's Department increased 400 per cent: that was only the beginning.

Mr. Dean Brown: That is a reflection of the problems you created.

The Hon. D. A. DUNSTAN: On the contrary, it was a reflection of the work we were getting done.

Mr. Dean Brown: You have more problems than existed under the previous Premier.

The Hon. D. A. DUNSTAN: If the honourable member thinks he can gain any comfort out of that ridiculous

remark, let him do so. In fact, the amount of work that went through the Premier's Department increased enormously, and we had to cope with that increase, and we have done so. Apart from those officers, in fact, to date I have one more Ministerial officer in my department than my predecessor had in his.

At 3.15 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

RACING BILL

The Hon. HUGH HUDSON (Minister of Mines and Energy) obtained leave and introduced a Bill for an Act to regulate and control certain forms of racing and betting thereon; to repeal the Dog-Racing Control Act, 1966-1967; to amend the Lottery and Gaming Act, 1936-1975; and the Stamp Duties Act, 1923-1975; and for other purposes. Read a first time.

The Hon. HUGH HUDSON: I move:

That this Bill be now read a second time.

I seek leave to insert the second reading explanation in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF BILL

This Bill consolidates, revises and, in some areas, extends the legislation regulating the racing industry in this State. The Bill amends the Lottery and Gaming Act, 1936-1975, and the Stamp Duties Act, 1923-1975, and repeals the Dog-Racing Control Act, 1966-1967. The Bill has been prepared after consideration of the report of the Committee of Inquiry into the Racing Industry under the chairmanship of Professor K. J. Hancock, and takes into account the recommendations made by the committee that relate to legislative matters. The Bill provides for controlling authorities to control each of the three codes of racing. The committee of the South Australian Jockey Club Incorporated is continued as the controlling authority for galloping, and the Trotting Control Board is continued as the controlling authority for trotting. A board entitled the Dog-Racing Control Board is established under the Bill as the controlling authority for dog-racing.

Since the introduction of speed coursing in 1971, the sport has grown rapidly, but the control of its conduct has rested in a body representative of open coursing interests. The Bill, therefore, provides that the proposed controlling authority for speed coursing be representative of the interests involved in speed coursing. The composition of the Dog-Racing Control Board as proposed in this measure does, however, depart from that recommended by the Hancock committee. In the Government's view the Hancock committee, in attempting to provide for direct representation of the major dog-racing clubs and associations, proposed a controlling authority that would be far too large and unwieldy. Accordingly, the Bill proposes that the board be constituted of five members, one being a person recommended by the Minister, to be the Chairman, two being nominated by the Adelaide Greyhound Racing Club, one being nominated jointly by the South Australian Greyhound Racing Club Incorporated and the Southern Greyhound Raceway Incorporated, and the fifth member being nominated jointly by the Port Pirie and District Greyhound Club Incorporated and the Whyalla Greyhound Racing Club Incorporated.

In the Government's view the Greyhound Owners, Trainers and Breeders Association may not at present be said to be adequately representative of the interests of owners, trainers, and breeders, but should its membership increase in future, the Government will give due consideration to providing for a nominee of the association to be an additonal member of the board. The powers and functions of the Dog-Racing Control Board as proposed in the Bill correspond in all respects in relation to dog-racing to the powers and functions of the Trotting Control Board in relation to trotting.

The Bill continues the Totalizator Agency Board in existence with its powers and functions largely unchanged. The Bill does, however, provide for an increase of one-half of 1 per cent in the amount deducted from totalizator bets that is to be channelled to the Totalizator Agency Board for its capital expenditure. This capital expenditure involves the computerisation of the board's totalizator operations and, in future, the acquisition of the ownership of its agencies. Computerisation of the board's operations at a cost of about $6 000 000 has become an urgent measure, because of rapid increases in labour costs that the board has incurred in a highly labour-intensive situation.

This has resulted in lesser returns from the Totalizator Agency Board to racing clubs for the present year as against last year and, even though the board will effect all possible economies, this downturn could continue if action is not taken to computerise the board's activities. Very detailed studies have been undertaken regarding computerisation, and both the board and the Government are confident that the present computerisation proposals will curb rapidly rising labour costs.

The Government is mindful of the importance of the racing industry and, for this reason, is effecting financial proposals in this Bill related to the Totalizator Agency Board and the racing industry which, together with the grant of $200 000 previously dealt with in the Estimates of Expenditure, will provide the industry with the necessary assistance until the financial benefits of computerisation become apparent. Under the Bill it is also intended to grant some financial relief to country racing clubs by reducing the amount to be paid into the general revenue of the State from their totalizator income to 1¼ per cent of that income where it does not exceed $10 000, and 3¼ per cent of that income where it exceeds $10 000 but does not exceed $20 000. Apart from these matters, the regulation of the actual conduct of totalizator betting by the Totalizator Agency Board and racing clubs is largely unchanged from that at present under the Lottery and Gaming Act, 1936-1975.

The Bill provides for the continuation of the Betting Control Board. Again, the powers and functions of this board are largely unchanged in substance. The Bill does, however, provide that the registration of betting shops, which exist at Port Pirie only, is to cease after January 31, 1983. The Bill also empowers the Betting Control Board to issue permits to bookmakers to operate on racecourses, this power being at present exercised by the racing clubs. This change should ensure a more even and appropriate allocation of permits than in some cases occurs at present.

The Racecourses Development Board is also continued in existence by the Bill. It is intended that the constitution of this board in future be based upon the nominations of the controlling authorities rather than of

racing clubs as at present. The board is to be empowered during the period of three years after the commencement of the measure to apply up to one-half of its funds towards the operating expenses of racing clubs, as opposed to the development of public facilities on racecourses. The channelling of moneys into the development of public facilities on racecourses will, however, continue to be the principal function of the Racecourses Development Board.

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation, but that the commencement of specified provisions may be suspended. Clause 3 sets out the arrangement of the measure. Clause 4 provides for the repeal of the Dog-Racing Control Act, 1966-1967, the amendment of the Lottery and Gaming Act, 1936-1975, and the Stamp Duties Act, 1923-1975, and contains the necessary transitional provisions.

Clause 5 sets out the definitions of terms used in the Bill. The definitions largely relate to the complex provisions in respect of the conduct of totalizator betting. Attention is, however, drawn to the definition of racing club, under which any racing club that, after this measure is in operation, seeks to have totalizator and other betting at its race meetings will first have to become an incorporated association. This action is in fact a simple matter, but is both necessary from the point of view of the legislation adequately regulating clubs and desirable from the point of view of the members of the clubs.

Clause 6 provides that the controlling authority for horse racing is to continue to be the committee of the South Australian Jockey Club Incorporated, so long as the committee continues to be constituted as it is at present or any variation of its constitution meets with the approval of the Minister. Clause 7 provides that any person proposing to conduct a horse race meeting at which licensed jockeys or registered horses take part must first obtain the approval of the controlling authority. Clause 8 sets out certain definitions relating to the controlling authority for trotting. Clause 9 provides for the continuation of the Trotting Control Board. Clause 10 provides for the constitution of the Trotting Control Board as it is presently constituted under the Lottery and Gaming Act, 1936-1975.

Clause 11 provides for the term and conditions of office of the members of the board. Clause 12 provides for the remuneration of members of the board. Clause 13 rgulates the conduct of meetings of the board. Clause 14 provides for the execution of documents by the board. Clause 15 provides for the validity of acts of the board and immunity of its members. Clause 16 provides that the functions of the board are to regulate and control the sport of trotting and the conduct of trotting race meetings and trotting races within the State, and to promote the sport of trotting within the State. The clause also sets out the powers of the board that are substantially the same as at present under the Lottery and Gaming Act, 1936-1975.

Clause 17 provides for delegation by the board. Clause 18 provides for the appointment of employees by the board. Clause 19 provides for investment by the board. Clause 20 provides for the accounts and the audit of the accounts of the board. Clause 21 requires the board to make an annual report to the Minister, and provides for the report and audited statement of accounts of the board to be laid before Parliament.

Clause 22 provides that any person proposing to conduct a trotting race meeting at which a licensed person or registered horse takes part shall not do so except with the approval of the board. Clause 23 provides for the appointment of an appeal committee and the hearing of appeals against decisions in respect of which a right of appeal is conferred under the rules of the board. Clause 24 empowers the board to make rules for the regulation, control, and promotion of the sport of trotting and the conduct of trotting race meetings and trotting races within the State.

Clause 25 to 41 inclusive provide for Division III of Part II, establishing the controlling authority for dog-racing, the Dog-Racing Control Board. These provisions correspond exactly in relation to dog-racing to the preceding provisions explained in relation to trotting. The Dog-Racing Control Board is empowered to adopt under its rules any decision. determination, or act of the National Coursing Association of South Australia Incorporated, including the imposition of any disqualification or penalty and the grant, refusal, cancellation, or suspension of any licence, permit or registration, and is also empowered to require the association to furnish any of its records relating to such decision, determination or act.

Part III provides for the regulation of totalizator betting, Division I dealing with the Totalizator Agency Board. Clause 42 sets out definitions relating to the Totalizator Agency Board. Clause 43 continues the board in existence. Clause 44 provides for the constitution of the board as it is presently constituted under the Lottery and Gaming Act, 1936-1975. Clauses 45 to 49 provide for the establishment and regulation of the proceedings of the Totalizator Agency Board.

Clause 50 requires members of the board to disclose any conflict of interest to the board at any meeting and not to take part in any decision in respect of which the conflict of interest arises. Clause 51 provides that the functions of the Totalizator Agency Board are to conduct off-course totalizator betting on races held within or outside Australia, and to act as the agent of a racing club in the conduct by that club of on-course totalizator betting on the races held by the club and on any other races held witthin or outside Australia. The clause also sets out the powers necessary for the board to perform these functions. Clause 52 provides that the board is to be subject to the general control and direction of the Minister.

Clause 53 provides for delegation by the board. Clause 54 provides for employment by the board. Clause 55 provides for borrowing by the board. Clause 56 regulates the application of the funds of the board. Under the clause any moneys in the funds of the board that are not required to be paid to any other body or fund are to be applied towards the board's own operating and capital costs, and any surplus is to be paid to the controlling authorities for appropriate application towards the development of the three codes of racing. As explained above, the increase of one-half of 1 per cent in the amount deducted from totalizator bets is to be ear-marked for capital expenditure by the board.

Clause 57 empowers the board to invest any moneys that are not immediately required. Clause 58 requires the board to keep proper accounts to be audited annually by the Auditor-General. Clause 59 requires the board to make an annual report which together with the audited statement of accounts is to be laid before Parliament. Clause 60 empowers the board to make rules regulating the acceptance and payment of bets by the board. Clause 61 requires the board to obtain the approval of the Minister before establishing new off-course betting premises.

Clause 62 prevents punters from making bets with the board on credit, and continues the present requirement that the dividend on a totalizator bet with the board is not payable until the conclusion of the race meeting. Clauses 63, 64 and 65 provide that the Minister may fix the days on which the totalizator betting may be conducted by racing

clubs at race meetings in the three codes of racing respectively. Clause 66 continues the present regulation under the Lottery and Gaming Act, 1936-1975, of the adequacy of totalizator betting facilities at metropolitan horse race meetings. Clause 67 empowers the Minister after consultation with the controlling authorities and the Totalizator Agency Board to make rules regulating the conduct of totalizator betting.

Clause 68 requires the Totalizator Agency Board or an authorised racing club to deduct a percentage from the amount of totalizator bets made with the board or the club, as the case may be. The percentage to be deducted has been increased by one-half of 1 per cent from the percentage fixed under the Lottery and Gaming Act, 1936-1975, at present. Clause 69 requires the Totalizator Agency Board to pay 5·25 per cent of the amount bet with it into the Hospitals Fund and 1 per cent of the amount bet on double or multiple race results to the Racecourses Development Board. The balance of the percentage deducted by the Totalizator Agency Board may be retained by the board as part of its funds. Provisions is made at subclause (2) for the present rebate on the amount payable by the board for the Hospitals Fund to be continued by regulation.

Clause 70 requires an authorised racing club to pay to the Treasurer for the general revenue 1·25 per cent of the amount of totalizator bets made with it on any day, where the amount of those bets does not exceed $10 000; 3·75 per cent where the amount of the bets exceeds $10 000 but does not exceed $20 000; and 5·25 per cent where the amount of the bets exceeds $20 000. Authorised racing clubs are also required by this clause to pay 1 per cent of the amount of totalizator bets made with them on doubles or multiples to the Racecourses Development Board. The balance of the amount deducted by an authorised racing club from totalizator bets made with it on any day after these payments may be retained by the club for its own purposes. Provision is made in this clause for exemption from the requirement to make the payment for the general revenue in the case of charity race meetings.

Clause 71 requires the Totalizator Agency Board and authorised racing clubs to accept totalizator bets of one unit, which is defined by clause 5 to be 50c or such higher amount as may, in the future, be fixed by regulation. Clause 72 provides for the establishment of totalizator pools between the Totalizator Agency Board and authorised racing clubs. Clause 73 regulates the application of totalizator pools. Clause 74 makes provision for totalizator jackpots. Clause 75 provides that the amount resulting from the non-payment of any fraction of 5c towards dividends on totalizator bets and, if necessary, the account at the Treasury known as the Dividends Adjustment Account may be applied towards the payment of dividends on totalizator bets, if the totalizator pool is insufficient to meet the dividends.

Clause 76 provides that fractions accruing to the Totalizator Agency Board are to be paid into the Dividends Adjustment Account. Clause 77 provides that fractions accruing to an authorised racing club are to be paid to the Racecourses Development Board or, with the approval of the controlling authority, may be retained by the club. Clause 78 provides for unclaimed dividends on totalizator bets. Clause 79 prohibits the conduct of totalizator betting except as authorised by the measure. Clause 80 ensures that totalizator betting in accordance with the measure is lawful. Clause 81 empowers the Minister to suspend or revoke the authority granted by him to a racing club to conduct totalizator betting, if the club fails to comply with the provisions of the measure.

Clause 82 empowers the Totalizator Agency Board to continue to co-operate with interstate agencies in the provision of totalizator betting facilities. Clause 83 requires authorized racing clubs to make returns to the Minister relating to their totalizator betting operations. Clause 84 requires authorised racing clubs to provide facilities for the police on any racecourse while totalizator betting is being conducted on races.

Clauses 85 to 124 (inclusive) fall within Part IV of the Bill, providing for the Betting Control Board and bookmakers. Clause 85 sets out definitions for the purposes of this Part. Terms defined by clause 5 are by this clause extended to include coursing to enable the present practice of bookmakers accepting bets at coursing meetings and on coursing events to continue. Clauses 86 to 92 (inclusive) provide for the continuation of the Betting Control Board and regulate its appointment and proceedings. Clause 93 provides that the function of the board is to regulate and control betting with bookmakers and sets out the powers of the board.

Clause 94 provides that the board is to be subject to the general control and direction of the Minister. Clause 95 provides for delegation by the board. Clause 96 provides for appointment of employees by the board. Clause 97 provides that the board may make use of the services of public servants. Clause 98 provides that the moneys received by the board are to be paid into the general revenue. Clause 99 provides an exemption for the board from stamp duty on receipts given by the board.

Clauses 100 to 104 (inclusive) provide for the licensing of bookmakers, bookmakers' agents, and bookmakers' clerks. Clauses 105 to 110 (inclusive) provide for the registration of premises to be used as betting shops. Clause 105 restricts further registration to premises situated within the city of Port Pirie, and provides that there are not to be any registered betting shops after January 31, 1983. Clause 111 provides that bookmakers must obtain a permit from the board before operating at any racecourse or in any registered premises, and clause 112 empowers the board to grant the permits.

Clause 113 requires authorised racing clubs to permit bookmakers who have obtained a permit from the board to operate on their racecourses upon payment of a fee. Provision is made in this clause for the fee to be fixed by agreement or, upon failure of agreement, by arbitration. Clause 114 provides for the payment to the board by bookmakers of a percentage of the moneys bet with them. The percentages are unchanged from those fixed under the Lottery and Gaming Act, 1936-1975, at present. The present provision under that Act for the application of the percentage paid to the board is continued in substance.

Clause 115 provides, in substance, for the imposition of the same duty on betting tickets issued by bookmakers as is presently imposed under the Lottery and Gaming Act, 1936-1975. Clause 116 provides for recovery by the board of amounts payable to it by bookmakers. Clause 117 prohibits bookmaking or the making of bets with bookmakers except in accordance with this measure. Clause 118 provides that bookmaking in accordance with this measure is to be lawful. Clauses 119 and 120 empower the board to regulate the communication of information as to the results of races and betting on races. Clause 121 makes provision for unclaimed bets paid to the board under its rules. Clause 122 requires the board to keep proper accounts and provides for their audit by the Auditor-General. Clause 123 requires the board to prepare an annual report, and that the report and audited statement

of accounts be laid before Parliament. Clause 124 empowers the board to make rules regulating bookmakers and bookmaking.

Part V of the measure comprising clauses 125 to 143 (inclusive) deals with the Racecourses Development Board. Clause 125 sets out certain definitions for the purposes of this Part. Clauses 126 to 132 (inclusive) provide for the continuation of the board and its appointment and to regulate its proceedings. The composition of the board is under the measure to be based upon nominations by the controlling authorities. Clause 133 provides for the continuation at the Treasury of the Horse-Racing Grounds Development Fund, the Trotting Grounds Development Fund and the Dog-Racing Grounds Development Fund. Clause 134 provides that the fund for each form of racing is to be applied by the board in performing its functions in relation to that form of racing.

Clause 135 provides that the function of the board is to provide financial assistance for the development of public facilities in the grounds of racecourses used or proposed to be used for racing. Clause 136 provides that the board is to be subject to the general control and direction of the Minister. Clause 137 provides that one-half of the funds of the board may be applied during the period of three years after the commencement of the measure in payment to the controlling authorities for purposes approved by the Minister. It is intended that under this provision racing clubs will receive financial assistance in respect of their operating expenses.

Clause 138 provides for delegation by the board. Clause 139 provides for employment by the board. Clause 140 provides that the board may make use of the services of public servants. Clause 141 provides for borrowing by the board. Clause 142 provides that the board may invest any of its moneys that it does not immediately require to perform its functions. Clause 143 requires the board to keep proper accounts and provides for their audit by the Auditor-General. Clause 144 requires the board to prepare an annual report and that the report and audited statement of accounts be laid before Parliament.

Part VI comprising clauses 145 to 154 (inclusive) deals with miscellaneous matters. Clause 145 provides for the continuation at the Treasury of the Dividends Adjustment Account. Clause 146 provides for the continuation at the Treasury of the Hospitals Fund, and that the fund is to continue to be applied towards the provision, maintenance, development, or improvement of public hospitals and equipment for public hospitals. Clause 147 empowers the controlling authorities to bar persons from entering racecourses or training tracks. Clause 148 empowers racing clubs to remove persons from their racecourses.

Clause 149 prohibits betting with infants. Clause 150 provides for an exemption from stamp duty on transactions involved in the amalgamation of the metropolitan horse racing clubs. Clause 151 provides for summary proceedings for offences under the measure. Clause 152 imposes personal liability upon persons concerned in management of bodies corporate convicted of offences against the measure. Clause 153 provides for the service of notices by post. Clause 154 provides for the making of regulations.

Dr. TONKIN secured the adjournment of the debate.

SOUTH AUSTRALIAN HEALTH COMMISSION BILL

Consideration in Committee of the Legislative Council's message that it insisted on its amendments No. 2, 3, 4, 6, 7 and 9, to which the House of Assembly had disagreed.

The Hon. R. G. PAYNE (Minister of Community Welfare): I move:

That the House of Assembly insist on its disagreement to the Legislative Council's amendments.

Members will recall that the amendments concerned were those dealt with last night before the Bill was returned to the other place. There is no need to add to the discussions that took place last evening. Sentiments expressed by speakers on both sides were, in the main, that the Bill as it originally left this place provided a good package of legislation for the setting up of a South Australian Health Commission, and, that in the opinion of this Chamber, there was no need for any further addition or alteration to the Bill. I therefore ask the Committee to agree with my motion.

Motion carried.

A message was sent to the Legislative Council requesting a conference at which the House of Assembly would be represented by Messrs. Allison, Eastick, McRae, Payne, and Wells.

Later:

A message was received from the Legislative Council agreeing to a conference to be held in the Legislative Council conference room at 9.15 a.m. on Monday, November 22, 1976.

The Hon. HUGH HUDSON (Minister of Mines and Energy) moved:

That Standing Orders be so far suspended as to enable the conference on the Bill to be held during the adjournment of the House and that the managers report the result thereof forthwith at the next sitting of the House.

Motion carried.

FOOD AND DRUGS ACT AMENDMENT BILL

Second reading.

The Hon. R. G. PAYNE (Minister of Community Welfare): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF BILL

This short Bill amends the principal Act, the Food and Drugs Act, 1908-1976, to give effect to a request made by the Australian Institute of Health Surveyors (S.A. Division) that the title of "inspector" in the principal Act be changed to that of "health surveyor". Similar amendments have been made to corresponding legislation in other States. Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. The remaining clauses of the Bill all substitute for references to "inspector", wherever they occur in the principal Act, references to "health surveyor".

Dr. TONKIN secured the adjournment of the debate.

HEALTH ACT AMENDMENT BILL

Second reading.

The Hon. R. G. PAYNE (Minister of Community Welfare): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF BILL

This Bill amends the principal Act, the Health Act, 1935-1975, in respect of four disparate matters. It provides for the reporting of cancer by hospitals and pathologists. To date in this State the collection of information as to the incidence of cancer has been carried out by the Neoplasm Registry of the Anti-Cancer Foundation of the University of Adelaide and has been limited to those patients diagnosed at the major metropolitan hospitals. Statutory requirement of cancer reporting by all hospitals and pathologists should produce information as to the distribution of, incidence of and environmental factors associated with the various types of cancer which can then be analysed, it is hoped, to some advantage.

The Bill revises the schedules listing infectious and notifiable diseases, so that they more closely conform to the lists recommended by the National Health and Medical Research Council for uniform adoption throughout Australia. The Bill widens the regulation-making power in respect of the clean-air provisions of the principal Act so that the regulations may both regulate and prohibit burning in the open. Finally, the Bill gives effect to a request made by the Australian Institute of Health Surveyors (South Australian Division) that the title of "inspector" used in the principal Act be changed to that of "health surveyor". Similar amendments have been made to corresponding legislation in other States.

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. Clause 3 amends section 3 of the principal Act which sets out the arrangement of the principal Act. Clauses 4 to 15 (inclusive) change references in the principal Act to "inspector" to references to "health surveyor". Clause 16 amends section 94c which empowers the making of regulations as to clean air. The clause amends paragraph (c) of subsection (1) of that section to empower the making of a regulation prohibiting the lighting of a fire in the open rather than just the emission of air impurities once the fire has been lit. The clause also amends paragraph (i) of that subsection to empower the making of a regulation prohibiting the burning of rubbish at rubbish tips.

Clauses 17, 18 and 19 make amendments to sections 127, 131 and 132, respectively, of the principal Act consequential to the inclusion of tuberculosis in the list of infectious diseases provided in the proposed second schedule to the principal Act. Clause 20 enacts new Part IXE in the principal Act providing for the reporting of cancer to the Central Board of Health by hospitals and pathologists. Clauses 21, 22 and 23 make consequential amendments. Clause 24 repeals the second and third schedules to the principal Act and replaces them with schedules setting out revised lists of infectious diseases and notifiable diseases, respectively.

Dr. TONKIN secured the adjournment of the debate.

SUCCESSION DUTIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from November 10. Page 2068.)

Dr. TONKIN (Leader of the Opposition): I support the Bill, but unfortunately it does nothing at all to recognise the effects of inflation and, by its inaction in this regard, it has effectively confirmed the steady increase in effective rates of succession duties which have moved upwards with inflation since the rates were last revised. The legislation was promised by the Premier more than three months ago, and it is pleasing to see it at last arrive in this House. It was one of the matters given considerable publicity just before the State Budget came in. The delay that has occurred since that time has caused considerable difficulties in the community. The people affected knowing that there was to be change and that the legislation was to be retrospective to July 1, a number of estates have been held over and no further action has been taken pending the introduction and passage of the legislation. Those people who have been wanting to expedite the transference of estates have found that their difficulties have increased because of the delay.

All people in the community will welcome the introduction of the Bill. Put simply, the Bill will abolish succession duties on estates passing between husband and wife or between *de facto* partners. It will be retrospective to July 1 this year. The Premier has estimated that the Bill will cost the Government about $4 000 000 in the present financial year. I do not think anyone would argue that $4 000 000 spent in this way is being well spent. However, the Estimates of Revenue for 1976-77 show quite clearly that the Government expects to collect $19 500 000 this year from succession duties, even after these concessions have been made, and that is nearly $500 000 more than the amount collected last year. The natural increase caused by inflation is still more than enough to cope with the concessions being made. The amount collected almost certainly will be even greater, if past experience means anything.

Last year, the Government collected $2 600 000 more in succession duties than was expected. Certainly, no-one can complain about the measure. It will overcome many of the financial difficulties that spouses have been experiencing at a time which is particularly critical and emotional for them. It will overcome some of the emotional difficulties, and from that point of view I welcome it. Succession duties generally are a harsh and, I consider, an inequitable form of taxation. In the Liberal Party, we would like to see at some time in the future the eventual abolition of succession duties. Many people in the community—and the Premier is one of them—attempt to justify partially the retention of succession duties by saying that this is a means of redistributing wealth. In the *News* of August 24, 1976, the Premier is reported as saying:

Taxes on successions are a form of redistributive tax. The canons of taxation are that the people who can most afford to pay do.

The Premier should take the trouble to bring himself up to date and perhaps to heed statements made, for instance, by Mr. Norm Thomson, lecturer in economics at the University of Adelaide. He said that death duties were introduced as one of the many measures intended to break the power of the established squatter class, the squattocracy, in mid-nineteenth century Australia, and that there was essentially only one justification for the modern form of death duty: to redistribute unearned wealth. Even in this area, Mr. Thomson said, death duty is a miserable failure, because lawyers and accountants have found ways for the wealthy to avoid the tax, and the wealthy themselves are becoming fewer and fewer by present-day standards. The man in the street, the small business man, and the small farmer are the ones who feel the full effect of succession duties. That is not fair, certainly not in the context of hitting the wealthy squattocracy. If he believes that death duties are designed basically as a redistributive tax, the Premier should think again.

The Liberal Party has a comprehensive policy on this matter. It was released earlier this year, in February, and certainly this Bill adopts one facet of our Party's policy. This is something that I have pointed out previously in the House. At the time the policy was released, it was attacked by the Premier, who said that it was simply designed to benefit the wealthy and that the State could not afford to do that. Now, apparently, we can afford to do it. I am pleased that the Premier has reversed his attitude.

Mr. Venning: You've got a job to follow him always.

Dr. TONKIN: I think we can usually follow his ways. He always has a reason for what he does. The Government, I believe, should immediately aim at relieving the burden of succession duties, particularly as it affects the economic viability of a family concern, a rural property, or a small family business. This is one of the major areas where succession duties return a short-term advantage to the State yet in the long term do the State great harm. There is no doubt that our economy would be far better served if we were to institute measures to maintain the viability of small family businesses and rural properties, provided they are maintained within the family and kept in operation. The State cannot afford to lose such viable units, no matter where they are.

Mr. Venning: Hardworking units.

Dr. TONKIN: They are a base for hardworking people with families who have devoted their entire lives, often for generations, to the building up of the businesses. When these businesses are viable and prosperous, the effect on the State's economy is a good one, and I maintain that the effect on the State's economy of maintaining those businesses as viable concerns is far greater than the relatively small sum that would come to the State by way of succession duties. It is a matter that must be looked at, and it will be looked at by our Party at the first opportunity.

The Government should be examining the means whereby a small business rebate on succession duties could be given where the property derived by a spouse, ancestor, or descendant of a deceased person includes an interest in a small family business. They could be similar to the concessions already applying to a family rural property. If the Premier wants to adopt this portion of Liberal Party policy, we will be happy for him to do it, and we would welcome it. The consideration of the inflationary aspects of the legislation is, I think, very important. It is another part of the Liberal Party policy in this field. There is no doubt at all that, in the matter of personal income tax, inflation has put more and more people into a higher tax bracket all the time, while the real value of their earnings has remained much the same. In just the same way, successions have been placed into higher groups of taxation. For that reason, I believe that the Government is missing another good opportunity to take a positive step that would help the people of this State, particularly the average working man and the small businessman—the people who pay the bulk of taxation in this State. In the past few years the problems of inflation have become enormous. One of the more important effects has been the rapidly increasing value of all assets owned by people in the community. Because of the progressive rates of duty, the increased amount of succession duties that must be paid are increasing the burden on people out of all proportion to the real value of their assets.

Since mid-1970, which is the relevant time, the consumer price index (which is a fairly good approximation of the inflation rate) has increased by nearly 78 per cent. That is a sobering thought—a 78 per cent increase in inflation since 1970! Of course, this factor is resulting in enormous strains on families, particularly sons and daughters over the age of 18 years, because of the increasing rates of succession duties that must be paid, and are calculated on the inflated value of their parents' estate. The present scales of succession duties have not been amended since, I understand, December 9, 1970. This means that an estate consisting only of an average-sized house in 1970 valued at $20 000 (and I am ignoring the Premier's other moves that related to average-sized houses) passing to a descendant over 18 years of age would attract duty at 15 per cent, amounting to $3 000. The rebate would be $900 (and I am now referring to a descendant), and the duty payable would be $2 100.

If we take the same average estate, which was valued at $20 000 in 1970, inflated by 78 per cent, it would now be worth $35 600 and would attract duty of $4 764. That duty is considerably more than twice the amount of duty that was payable on the same property, the same estate, the same real money value. That is the sort of increase that has occurred. In effect, the increase in succession duties on the same sort of estate, because of inflation, is 127 per cent. It is fairly obvious that this state of affairs cannot continue. The only people who are gaining from this situation are the Government and the Treasury, and they are gaining at the expense of the people of this State. They are actually using inflation to increase effectively the duty that they will obtain from the same value of assets. That is a fairly sneaky way of doing things.

The Hon. D. A. Dunstan: What do you say is the effect of section 55a of the Act?

Mr. Gunn: We are fully aware of that.

Dr. TONKIN: I will admit freely that certain concessions and rebates are made.

The Hon. D. A. Dunstan: This is not a concession or a rebate; it is an adjustment for inflation. It's already in the Act.

Dr. TONKIN: When did it go in?

The Hon. D. A. Dunstan: Last year.

Dr. TONKIN: Exactly! I have been covering the period from 1970 until now, and the Premier has the hide to try to justify what has been happening by referring to something that was done last year. Really, that does not do his case any good. I doubt whether he had a case, but he has increased strongly the value of my case, for which I thank him. It would be quite easy to restructure the scale. It would not be necessary to change the percentage of duty charged. For obvious reasons, what must be changed is the capital sums on which the duty is charged. If we wished (because this matter has been neglected since 1970) we could introduce a figure, if we are to be consistent, of 78 per cent and could use that figure, based on the consumer price index or some other estimation of the inflationary rate, to increase the capital sum.

I would suggest, for instance, that the best way to do that would be to apply in the first instance a figure of 50 per cent, to allow for a 50 per cent increase, so that the base sum of $20 000 could become $30 000 on which a 15 per cent charge would be made, and instead of increasing by increments of $20 000 the scale could be increased by increments of $30 000. Even if we adopted that system we would still not be making full allowance for the effects of inflation since 1970. That is a perfectly reasonable suggestion, and I should like to see it carried out. It could have been done in this legislation. At least it would have been fair to the people of this State who have to pay succession duties. If 50 per cent were acceptable, it would be possible to make a further adjustment to bring back the value of assets to a position of parity as at 1970. We

will have to wait and see whether the Government will do that, because it has not given any indication that it wants to do it. I can understand why the Government does not want to do it: it is because the Government is getting a nice little bonanza out of inflation. Perhaps that has not been the case for the past 12 months, but the Government has done nicely out of inflation since 1970. The change I have suggested is long overdue, and it would certainly help many people in the community.

Another important amendment, a welcome amendment, in the Bill is that bequests to benevolent, religious, scientific or educational bodies, which previously paid a concessional duty at a set rate, will now be exempt from paying succession duties. That amendment is long overdue, too. It will certainly result in many bequests being made to these worthwhile organisations: it will certainly provide the necessary encouragement for them.

A matter of administration has been brought to my attention. It is an important matter and must be considered carefully. Under the new provisions of successions passing to a surviving spouse, valuations are not necessary. The difficulty that arises, as I am instructed, is that courts, lawyers, solicitors, and trustee companies (including the Public Trustee) all depend on the value of the estate to fix the fees that they will charge. Their commission is based on that fee. Court fees could perhaps be said to be nominal, but for trustee companies, the Public Trustee and lawyers the position will be difficult until a way of determining their fee can be devised. It could well be that the Government has already examined the problem and has an answer. It is a matter that could properly have been referred to in the second reading explanation, because it is a matter that could cause extreme difficulty unless the problem is sorted out.

I repeat that this legislation, as far as it goes, is welcome and that the Opposition supports it. However, I believe that it does not go far enough. I should like to see the matters to which I have referred, that is, a real attempt made to make up for the effects of inflation and the small family business, particularly rural property and small businesses, protected as much as possible. The Premier and the Government give far too little weight to the importance of private enterprise and small businesses to the prosperity of this State. We will be doing a grave disservice to the State if we do not undertake soon measures that will help those people to survive. It is possible that we would not have to reduce the total duty that they pay, but arrangements could be made over a period of five or 10 years to pay the duty involved without interest. That would be a fair exchange for the inflationary bonus that the Treasury has been getting. In my view that would not be the best way to solve the problem; there should be far more significant rebates and concessions made in this respect. I support the Bill and look forward to taking further action to further some part of the Liberal Party's policy when the occasion arises.

Mr. McRAE (Playford): I, too, support the Bill. I listened with interest to what the Leader had to say. About this time last year a Bill was introduced which, honourable members will recall, had the effect of providing some alleviation of taxation measures as related to succession between spouses. Members will recall the considerable lobbying of members on both sides by women's organisations, and rightly so, as to the sad situation that confronted many spouses in the then context of the legislation, and even with the amelioration of the legislation at about this time last year. In speaking in the debate last year I said, in my final sentence, that I looked forward to the day when successions between spouses would not be taxable. Therefore, it is with great pleasure that I support the Bill and, to the minor degree that I may have influenced this course of events, feel pleased that the discussions I had with the Women's Electoral Lobby and with other organisations were, at least to some extent, justified.

Again, in common with the Leader, I look forward in a real sense to the day when some of the measures to which he referred will come about. I will canvass these matters as much as I can one by one in the order in which he took them and ask for his tolerance if I have not taken down exactly what he said, but I think that I have taken down the spirit of what he said. In addition to succession between spouses, I can understand successions between ancestors and descendants (I do not like using that medieval term, so perhaps I should say between fathers and sons or mothers and daughters and let that embrace the whole of the field of the lineal line of descent). I can understand that what the Leader said must, in itself, be inherently logical, because it is inherently logical that in some way there will be an impost on someone if we have any tax on any succession in any circumstances. It seems to me that the degree to which the Government of a State can, in the stage we have now reached in the evolution of Federal Government, influence its own budgetary course has been severely limited.

Every member knows that, since the 1930's, and since the transferral of income tax from the States to the Commonwealth, both the real wealth of the country, its disposition, and the capacity of redistributing it through the country, or of using the wealth of the country, lies primarily in the hands of the national Government of the day. That is a reality which any Government (Labor, Liberal, or any other) of a State must accept. Really, the test as between State Government and State Government as to efficiency is the way in which they can operate within their share of the transferral of income tax revenue from the Commonwealth to that particular State, and the adjustment of taxes by that particular State.

In other words, comparing the Governments of South Australia and Queensland, we must look, first, at the extent to which they are funded directly by the Commonwealth Government and the extent to which they are funding themselves by taxes on the people and the extent to which there may be any unusual circumstances. In the case of Queensland, there is an unusual circumstance because of the royalties on minerals; the same might apply to Western Australia. One way or another, we can draw a particular line. I think it has been to South Australia's credit, under the Playford, Walsh, Hall, and Dunstan Governments, that, with such limited resources and with such difficulties in the path of State Governments, successive Governments have been able to do such a good job. I can recall Sir Thomas Playford saying in this Chamber that he recalled the time during which he governed as being an age of economic growth. I think that the Premier will be recalled as a person who has continued with that period of economic growth, and also with planning. The eventual judgment of history might be that it is the planning and development of the city of Adelaide and the State of South Australia for which he will be most remembered, and other more spectacular reforms may well be forgotten.

The overall point I make (even though it is difficult to make in simple terms) is that there is logic in everything the Leader said. Of course, one can feel sympathy for a person who, being the son or grandson or daughter or granddaughter of the unfortunate victim of death, suffered some form of penalty. One can feel sorrow in

those circumstances, but, at the same time, the State has an obligation to all of its citizens to provide services and, therefore, it seems to me (and I say it in the presence of the Treasurer) that the Treasurer's prime duty is to balance out the income he can get together with the services he can provide and do what, in equity and good conscience, he can do to balance those two requirements. That is a very difficult job. The Leader referred to someone who said that succession duty was inequitable. All I can say is that it is far more equitable than is estate duty, because, in its nature, succession duty looks at the relationship between the inheritor and the testator (between the person receiving and the person giving), whereas estate duty looks to the totality of what has been transferred to any given person. So, it must surely be equal in logic and true to say that succession duty, as a system in itself, is more logical than is estate duty, which is the only alternative system of taxation in this area that I have heard advocated.

The next point made by the Leader, as I understood it (and I have heard this point made by other members and by people in the community), was that succession duty is, in itself, a regressive and inflationary tax. I do not accept that that is so but, assuming that it is everything that is alleged against a regressive and inflationary tax, we are still caught with the argument of what to do to replace it. There is inherent logic in saying that what we ought to be doing in order to gain the sort of benefit for which the Leader was looking is to look at the whole structure of national taxation. His Party, on a Federal basis, indicated clearly at the last Federal election that there would be a new Federal policy on taxation and that there would be a new equity between the Commonwealth and the States. However, the only way in which I can see that equity coming about is through a more equitable distribution of income tax. As Mr. Hawke (President of the Australian Council of Trade Unions) is quoted in today's *News* as saying, some real attempt to maintain people's real disposable wages is necessary. Mr. Hawke said:

> The A.C.T.U. would welcome any discussion with the Federal Government about people's real disposable incomes . . . . But I believe that in a difficult economic situation they would be prepared to discuss whether, in the immediate sense, that sort of approach would not be worth looking at in terms of protecting the real incomes of their members.

The President of the A.C.T.U. was saying that, if we could adjust taxation as against wages, we could hold down the unreal escalation of wages that has occurred and is still occurring. I do not deny what the Leader of the Opposition said about the consumer price index increasing by about 60 per cent since 1970, but wages have risen by about the same percentage in the same period. Just before I entered this Parliament in May, 1970, the wage for an unskilled worker in South Australia was about $70; today it is about $120, which is an increase of about 60 per cent.

I am not saying that that applies right across the board, and I am not saying that there are no exceptions to that, of course there will be exceptions, but I look forward to the day when there will be co-operation between the States and the Commonwealth, because after all, we are one people and, in relation to the national productivity and the national well-being, we should not see ourselves as isolated islands. I am far from being a centralist, but we have to see ourselves as a nation. The long-term answer can only reside in a genuine attempt at co-operation between the Commonwealth and the States to examine income tax, the pricing system, and the wage system that operates in order to give the States an opportunity, depending on economic circumstances, to lessen some of the burdens to which the Leader referred.

Dr. Tonkin: Would you like to see the Commonwealth take over the entire sphere of estate and succession duties?

Mr. McRAE: No, I do not think so. I think it will be possible to totally eliminate them. Perhaps that is what the Leader means. I believe that could be possible—

Mr. Venning: Do you support it?

Mr. McRAE: I would support it, if it could be done equitably between the States so that citizens in this State are at no greater disadvantage or advantage than are citizens in any other State. It ought to be a much better and cheaper way of financing the productivity of any given part of a nation, regardless of the borders. It is not the first time I have made such a observation.

Mr. Venning: What about in the meantime?

Mr. McRAE: The responsibility must to a great extent lie with the Commonwealth Government, because it is massively the greatest tax gatherer of the nation. Until the Commonwealth, the State Governments, and the various component groups in the community can work out an equitable system, the States have to have some way of gaining revenue in addition to income tax, and your Leader said that while he hoped there would be an amelioration, no suggestion was made that he would eliminate succession duty or stamp duty in one fell swoop. I assumed him to be saying that, if certain other economic redevelopments were to occur, he would like to see something else happen, and so would I. He did say that, in any event, quite apart from a change in the economic and social order, he would still like to see an adjustment in the taxation scales, and also in relation to charities.

I fully support him in that. Last year I said genuinely that I look forward to the day when all succession duties between husbands and wives could be eliminated, but I find it difficult to understand in the present economic climate and in the tax-sharing arrangements between the States and the Commonwealth how one, whilst still maintaining the same level of service, could do what he seeks. That is my problem.

Dr. Tonkin: Charities are included in this Bill.

Mr. McRAE: Yes, they are. I agree that what the Leader said about scales can be argued logically and soundly. Concerning charities, everyone would like to see people gain a true social benefit without there being any form of taxation. I support the Bill in the same way as did the Leader. I am at one with the Leader and with the Government in saying that the only way we can get a rational solution to the entire problem of taxation is to examine the problem on a national level and to balance all forms of taxation against all forms of income and against the total national product. It really gets down to this: as much as I would like to see the benefits the Leader projected, I cannot see, without that long-term solution, how that can be equitably and responsibly done, and be carried out by the existing Government.

In those circumstances I support the Bill, because I believe it will make a useful contribution to the people who have spoken to all members about the problem. If a proper arrangement between the States and the Commonwealth was made on some given day, then I am not especially interested in just what method would be used to raise the tax. However, I remind honourable members, especially those who are having regard to taxes specifically related to capital acquisitions, for instance, farms, that there can be far harsher and graver changes in the only alternative tax estate duties, apart from the whole restructuring of the economic and social order in Australia, and that

there can be far more equitable solutions under succession duty. That is really the only point of disagreement in the long term that I would have.

I support the Bill and congratulate the Government on what was done last year and this year, and I look forward to the day when the State and the Commonwealth can bring about real and constructive improvements in the economic and social order.

Mr. GUNN (Eyre): I support the Bill, but I am not as enthusiastic about what the Government has done as is the member for Playford. This is only an affirmative tax and let no-one have any other conception about this legislation. I welcome any reduction in this vicious and unjustifiable form of taxation. The Premier said the tax had been operating for about 100 years but what has it achieved in that period? We have had 100 years of misery, heartbreak, and destruction. It has destroyed economic units and has affected the gross national product of Australia. It has destroyed small people, who have had no redress whatever. This tax and Federal estate duty cannot be justified in many cases, and I stand on record as saying that the Commonwealth Government has no right to impose Federal estate duty. It should be abolished. I shall be doing my part to influence my Commonwealth colleagues to that effect.

This measure is only a small part of Liberal Party policy, and I am sorry that, when the Premier sets out to steal Liberal Party policy, he does not take the lot. If he had taken the total Liberal policy this measure would have provided real and lasting benefits to the people of South Australia. I refer to some of the facts concerning this form of taxation, which has existed for about 100 years.

If larger businesses were forced to pay this tax, one could say that there was some equity in it. However, this tax does not affect Broken Hill Proprietary Company Limited or Myers, or any other large company. It does not have any effect whatever on such organisations. It does not deny them capital to continue to develop or restructure their organisations. Really, it affects only small businessess and private operations but not public companies, and that is what is so wrong with it.

I strongly believe in the small business community and family farming operations, which are absolutely essential if this nation is to have a strong and viable agricultural base, which it must have. Indeed, any nation without that base has failed, and Australia needs such a base. The Liberal Party recognises that, and we are going to do our part to make sure that such a base continues to exist. However, while we have vicious taxes of this nature being levied, those valuable enterprises are at risk. I will refer to some of the unfortunate decisions that have been made about payments from barley pools. That position is disgraceful. In the document "Rural Policy in Australia, report to the Prime Minister by a working group, May, 1974" at page 193, paragraph 7.30, the following statement is made:

In 1971-72, the Federal estate duty assessments on primary producers amounted to about 29 per cent of the total duties assessed for persons in all industries. By contrast, primary producers constituted only 4·6 per cent of the income tax paying population and their income tax assessments amounted to 4·0 per cent of total income tax assessed in that year.

That truly indicates how this taxation falls upon rural producers, who have a large capital investment from which they obtain a small return. Paragraph 7.35 (page 194) states:

Any adverse effects of death duties on the efficiency of resource use in any industry, should certainly be taken into account in an assessment of whether death duties are an appropriate form of taxation.

They certainly are not. I refer to the Senate Standing Committee on Finance and Government Operations, report on death duties, December, 1973, concerning this matter. The report was made during the time of the Labor Government and, in respect to primary producers, at page 37, it states:

The principal fixed asset in the estate of a primary producer is usually land: and

(*a*) Rural land is not readily divisible for sale to meet death duty liabilities. If the payment of these taxes induces the fragmentation of viable holdings into uneconomic holdings this would tend to work in the opposite direction to the farm build-up objectives of the Rural Reconstruction Scheme and the Marginal Dairy Farm Scheme.

That is exactly what is happening and it should not be allowed to continue. I am aware that last year the Premier amended section 55j of the Act, dealing with concessions to properties held by rural producers, but it did not go far enough.

The Hon. D. A. Dunstan: Your spokesman at that time said it was generous.

Dr. Tonkin: It was generous by comparison.

Mr. GUNN: It was generous by comparison with the situation in the past. However, I do not excuse former Liberal Governments in this matter: we did not go far enough when we were in office. The report continues:

The valuations of rural land for probate purposes are quite unrealistic—

I agree entirely—

bearing no relationship to available market prices.

At page 44 the report continues:

. . . death duties are a relatively sectional impost on the rural community. These duties represent a severe burden on the basic and traditional economic structure in the rural industry—the family farm—whereas their impact on other industries is avoided by sophisticated methods of business organisation.

That was the point I was making. Also, succession duties fall heavily on young widows and children. If one compares a person employed in the State Public Service to a widow of a farmer with a rural property or a small business who does not have the benefit of the State superannuation scheme (a scheme with which I am in entire agreement), one finds that in one case that the person receives what is a just, right, and adequate superannuation, but in the other case the person has to pay for it through succession duties.

I refer to the example of two women in the community, one married to a public servant and the other married to a farmer. If both husbands were killed going to work, which of the widows would be clobbered with succession duty while the other widow was paid her due and was assisted through her husband's contributions and those by South Australian taxpayers? Obviously, taxpayers in this State have to make a large contribution to the State Superannuation Fund. I do not oppose that fund, but I am against the wicked injustice that has been perpetrated against people in South Australia. As long as I am a member of this House (and that will be for a long time, and it will not be long before we are on the other side) I will try to have some action taken.

In regard to succession duties, in one week I was approached by two constituents whose wives had died. They were concerned, because they had not been paid

their share of moneys held by the Australian Barley Board. I wrote to the board, and on October 10, 1975, I received the following letter from it:

Dear Sir, We acknowledge your letter of October 7, 1975, requesting advice as to the reasons why our board is withholding payment of money due to certain partnerships of which in each case, one of the partners is now deceased. Although we appreciate the concern of the persons involved, we are unable to make the payments at this stage in accordance with the provisions of the Succession Duties Act. Section 63A of that Act provides that any money due to the deceased, either alone or jointly with any other person, must be held pending production of probate and succession duties certificate. We have approached the Succession Duties Department on numerous occasions on behalf of growers in a similar situation, but they have always been adamant that the requirements of the Act must be complied with. We can assure you that the board does not withhold payment unnecessarily, and every effort is made to expedite payment as soon as the necessary requirements have been met. For your information we are enclosing a copy of a letter to Mr. . . ..

The letter, dated October 9, states:

We acknowledge your letter dated October 1 regarding the withholding of future payment on barley delivered in the name of—

and I will not quote the name—

This was necessitated by the death of your wife . . . Under section 63 (*a*) of the Succession Duties Act it states—

It repeats what I read before. This is a complete injustice. The money that person requested was his money, and did not belong to the deceased partner. I wonder what would happen if a constituent of the member for Florey was treated in a similar fashion by a business concern. If it withheld money, the honourable member would be on his feet in this House, with the Attorney-General, abusing those people. The Government should take action to rectify this anomaly. I understand that the Australian Wheat Board makes payments and, if that is so, why is the Australian Barley Board not permitted to do so? It is illegally withholding money and interfering with people's rights, and such actions should not be tolerated. I wrote to the Premier about this matter—

The DEPUTY SPEAKER: Order! I think the honourable member is straying from the Bill.

Mr. GUNN: I received a reply from the Deputy Premier, about which I am not happy. The Premier is aware of what is happening, and I am sure that people who administer the department would be aware of those documents. The Leader said that other amendments should be made to the Act, and I believe that the effects of inflation and movements in the consumer price index should be considered. I understand the rates of duty were set in 1971 and, if one examines the consumer price index for Adelaide, it will be seen there has been an increase of about 78 per cent since that time, but nothing has been done in relation to the rates of succession duties. I support this measure, because it will give some relief, which is long overdue. It is too little, too late, and has taken far too long to achieve. There is no doubt that we have to go much further. I am pleased to say that the Liberal Party has a positive and comprehensive policy that will alleviate the problems caused by the Act and will be implemented on our election to Government.

Mr. Millhouse: You amaze me.

Mr. GUNN: You have amazed me for a long time.

The DEPUTY SPEAKER: Order!

Mr. Millhouse: I was only going to say that his Party doesn't have—

The DEPUTY SPEAKER: Order! The honourable member for Flinders.

Mr. BLACKER (Flinders): I support this Bill. It is a measure the Government previously announced it intended to introduce, and when it made that announcement it indicated that the legislation would be retrospective to July. I think it was a wise thing to do, because much estate planning has been done since that time. I believe that there have been many legal transactions pending the passing of this legislation. The Bill does not solve our special problems. It alleviates the immediate plight of the spouse, but young families and the next generation will suffer to an even greater degree than those in the present situation. In the case of a husband and wife, if the husband passes on there are succession duties on half of the estate, but that is doubled if the wife happens to be a partner, so that the next generation's estate duties are compounded. I fear that a putative spouse will be able to capitalise under this measure to the detriment of blood relations of the surviving partner. In a previous amendment introduced last year, a putative spouse would have prior claim to an estate in preference to a blood son or daughter once they had reached 18 years of age. This problem will be compounded by this legislation, which will not help the situation. I hope that the Premier will give some explanation, which will show that my fears are not justified. I believe that this legislation is a short-term expediency and, whilst it is welcome, I hope it will be extended later.

Praises have been sung about the policies of the various Parties. It has been the policy of the National Country Party that estate and succession duties should be abolished and replaced by something more equitable. At every public meeting I attended and proposed that type of programme, there was a Liberal Party member who stood up and said it could not be done. I am pleased that since July last year to February this year we have seen a change of attitude by that Party. We should be thankful that all Parties consider that there is a need to revise succession duties, because those duties have had devastating effects on many sections of the community. I support the Bill to this stage.

Mr. VANDEPEER (Millicent): I support the Bill, which will provide great relief for many families and which has been needed for a long time. I hope, in future, it can be taken much further, and that succession duties will be abolished. I commend the Government on that part of the legislation that abolishes the succession duty payable when the succession goes to a benevolent society. I agree with most of what the member for Playford said, but I find his remarks about the impossibility of abolishing succession duties difficult to understand. He said that succession duties legislation is a tax-raising measure for the State and that, as capital taxes are the only available means of raising funds, it is difficult to abolish any of those means and still maintain services supplied by the State. That may be largely true, but it is like the dog chasing its tail; how do you raise the taxes and supply the services, if businesses producing the taxes become uneconomic and the unemployment and financial situation of the State deteriorates? In this argument, we have to take the bull by the horns and take a few drastic actions, by which I mean we must reduce these taxes, such as succession duties. With the member for Playford, I am considering national taxation and the new Federal system. I firmly believe that the new Federal system will be of great help to the States, and that a section of our taxation raised from general revenue should be allocated directly back to the States. I do not believe that, because the Federal Government raises the taxes, the money is wholly and solely that of that Government. It comes

from the States, and I think the States have a right to have a certain percentage passed back to them directly. However, I believe that the new Federal system will make considerable advances in this direction in the next few years.

My greatest concern in relation to succession duties is with the small business and the family farm. Being a country man, perhaps the family farm comes first, but generally I am concerned with small businesses. I support the remarks of the Leader, who covered this aspect very well. It is a great pity that, by succession duties, we are virtually destroying many small businesses. It is completely unfair, when these small businesses are passed on, to take off such a large part of the value of the estate for State revenue.

Many farm businesses today are completely unviable, purely because of the imposition of the succession duties legislation. How ridiculous it is to take away from a farming unit sums of $20 000, $30 000, $40 000 or $50 000—any figure one cares to name.

The DEPUTY SPEAKER: Order! I have already told the member for Eyre that the Bill deals with succession duties on estates passing between spouses. I want all honourable members to stick to that line. We are now getting on to farming and other things.

Mr. VANDEPEER: Thank you, Sir, for your direction. I apologise for wandering from that line, but it is tied up with succession duties from husband to wife, between spouses. Farms are family units, and the succession from one to the other within the family unit has been of great detriment to the growth and maintenance of these properties as viable units. The effects of succession duties on companies can be similarly tied in. Destroying small businesses or its having such a deleterious effect on small businesses has encouraged the growth of the large companies, even to the point of the large multi-national companies.

In this modern day, family farms require investment capital. Why should we take it away in the form of succession duties because one member of the family has passed on? It is a time when the unit (using the term to cover all businesses in the State) requires capital to continue operating. We are not sufficiently farsighted to see this, and so we take it away in the form of succession duties. This legislation will have a considerable effect on the farming community and the small business area, and I thank the Government for its actions in this direction.

I hope that, in future, it will continue to consider the matter and that succession duties can be further relaxed. When my Party returns to Government shortly we will be taking such action.

The Hon. G. T. Virgo: You will not even be in the House.

Mr. VANDEPEER: It will not be far away. I support the Bill.

Mr. RODDA (Victoria): I support the Bill. Little fish are sweet, and I am most grateful for small mercies. I believed that, at this time, succession duties could be abolished, but the Bill does not do that. The member for Stuart is wondering what I am going to say.

Mr. Keneally: Leave me alone.

Mr. RODDA: As a practical man, I realise that this cannot be done at present. Recently, following the happenings on the Federal scene since 1972, we have seen the spread of the gross national product, with more and more people enjoying higher wages, bringing a changed scene and putting a big impost on the providers of jobs. If there are no jobs, the community is in trouble. I pay a tribute to Mr. Bjelke-Petersen: he is scorned by many people, and he recognises that. Ultimately, the Minister will come to recognise that he cannot have his cake and eat it. We have seen chinks in the armour of the Government of which the Minister is a member. They are worthwhile chinks.

This is a start in the right direction, spouse to spouse, but the next generation is paying full tote odds. In the unfortunate situation in which we find ourselves, there is some benefit in this legislation, which will help in the case of a young person who is killed, leaving his wife to inherit his wherewithal. We are looking at $19 000 000, which is what the Premier expects to collect this year from succession duties. It is only a small percentage of the State's income, which is in the four-figure class.

Mr. Keneally: Four figures?

Mr. RODDA: I am talking of millions. The Bill is a start in the right direction. This is a cruel tax, and no-one knows when it will strike. Irrespective of which Party is on the Treasury benches, preservation of the asset must be considered, because it is being got at in other ways. If that is not done, we will kill the goose that lays the golden egg and slaughter the source that provides employment. Much employment comes from the areas to be affected by the Bill. We must encourage people to pay more attention, at the appropriate time, to the question of the arrangement of estates.

I know that a Government or a country cannot be run without revenue. I would be the first to acknowledge that, but I am sure that members opposite realise that these crippling imposts strike in a small way at a limited number of people in the community who are providing the $19 000 000 that was referred to by the Premier in his financial statement. With those few words, I support the Bill.

Mr. VENNING (Rocky River): I support the Bill. There has been quite a change of attitude by the Australian Labor Party in this State in the past five or six years. My memory goes back to when the Legislative Council set up a Select Committee to look into the effects of capital taxation on the survival of privately owned businesses and manufacturing and primary industry in South Australia. When that Select Committee was set up, A.L.P. members would not join the committee. As a consequence, the committee consisted of Liberal Party members. The report of the Select Committee was laid on the table of the Legislative Council on August 31, 1971, and was ordered to be printed that day. The principles contained in that report still apply today. The Opposition has been pushing the Government to accept the principles set out in that report.

My heart aches when I think of the number of people who have gone to the wall in the meantime because the Government would not adopt those principles. This Bill relieves a serious situation that has developed over the years, particularly where the breadwinner, because of early demise, has left his wife and young family in jeopardy in relation to the small business or farming property he managed or conducted. I listened with much interest this afternoon to the member for Playford. He is a professional, as is my Leader. There is a difference between professional people and those who run small businesses or are primary producers, because when a professional dies he takes his ability with him, but the small businessman or the primary producer leaves his land behind and, as a consequence, the estate is charged heavy succession duties. The small businessman or primary producer might have left the

property or business to his wife or his son to carry on the business. It makes my heart ache to think of the people who have gone to the wall because of this tax.

Only a couple of years ago I told the Premier about a dire case in my district where a fine property had to be sold to pay about $75 000 in succession duties. Before the farmer died, his son used to work on the property, but after he died his son had to find a living elsewhere. Had this legislation been introduced before that boy's father died, the amount of succession duties would not have been so great and the situation would have been saved for the time being, as the spouse would have been able to dispose of the property in one way or another through gift duty.

I was interested to hear my Leader refer to Norm Thomson from the university. Norm Thomson played an active role in producing evidence before the Select Committee in 1971. I can recall Norm Thomson and his young wife coming into the Crystal Brook area before 1971 to undertake a survey for the United Farmers and Graziers organisation, and Quentin Davidson (my neighbour) and I assisted him to collect evidence for the case that he was preparing for abolishing succession duties in this State.

Members who have spoken today have supported this legislation. We are all grateful to the Government for what it is doing in this field. The Opposition's policy, however, is to carry these concessions still further. I should like to pay a tribute to grower organisations, the United Farmers and Graziers organisation, and to the Stockowners Association for keeping pressure on the Government to the degree that this measure has been introduced. When I entered Parliament in 1968 I said that, if I achieved nothing else during my time here than the abolition of succession duties and their impost, my time in Parliament would have been well served, and we will achieve that. It is pressure put on the Government by the Opposition that has forced the Government to introduce this measure. Even if the Government does steal our policy on the matter I hope that, with continual pressure on the Government, we can abolish succession duties.

In a small business, whether it be a small shop or a farm, the spouse who brings a son or a daughter into the business after the other spouse has died can only provide a medium income for that child. When a spouse dies and the children inherit the property they, too, receive only a medium income. It is only when the property is sold that a reasonable sum is realised. I support the legislation and hope that the Premier will soon see fit to take further steps to assist—

Mr. Rodda: Do you think—

The DEPUTY SPEAKER: Order! The honourable member for Rocky River—

Mr. VENNING: Certainly, I have the floor.

The DEPUTY SPEAKER: Order! The Chair will decide that.

Mr. VENNING: It is the next generation about whom I am concerned for the future. I was also interested to hear the Leader say that in the past few years valuations had increased by 78 per cent because of inflation. I am amazed that that situation has been allowed to continue for as long as it has. The Premier was not born yesterday, although sometimes we believe that he might have been. He is an educated man and is well aware of what inflation is doing to valuations, especially when they involve land. Valuations are increasing at the rate of about 15 per cent a year. I would have thought—

The DEPUTY SPEAKER: Order! I wish that the honourable member would stick to the Bill.

Mr. VENNING: Yes, Sir.

The DEPUTY SPEAKER: This is the second time the honourable member has wandered away from the Bill. I hope that he will stick to it.

Mr. VENNING: With those few remarks, I support the Bill, and hope that the Premier will soon take a further step to tidy up the Succession Duties Act.

Dr. EASTICK (Light): It is difficult for me to support the Bill, because of the deficiencies contained therein. I support the measure, because it will give a degree of relief, but the degree of relief is not adequate for the requirements of the community. The Bill is a political subterfuge. It carries out a promise made by the Government and, as such, it goes back to July 1, 1976. The Opposition does not approve of retrospectivity provisions but, in these circumstances, and with the acceptance of the position when first announced, I have no argument on that part. The political subterfuge to which I have referred is that the Bill touches only the surface of the real problem. As has been said by other Opposition speakers, it puts off the evil day that will bring about the destruction of family units, whether they be in industry, in the metropolitan area, in the country, or in agriculture. It will create a situation that, when eventually payment is required, it will be considerably greater. It may not be the same total value that would occur with two successions at considerably different times, but it will create the situation that, because it is one succession that has not had to provide succession duties on the first death, the value of the succession will be greater and, therefore, the pay-out at the time of payment will be greater.

Certainly, with the escalation of values occurring at present, it is conceivable that the end result will be greater than the summation of the two. Certainly it will have the disastrous effect, which has been spoken about from this side several times, of forcing family units in many areas, particularly rural areas, into selling off the back paddock, and probably selling off most of the farm, to permit the payment of the succession that is due. I say that against the background that what is really required now is a Bill which would allow not only for the alteration to the succession duty but which would simultaneously, by virtue of using the facility of a Statutes Amendment Act, allow for amendments to gift duty and to valuation methods. I will expand on that slightly, because it has a significant effect on the succession problem. We talk in valuations at present of what is almost a fictitious or hypothetical situation of the willing buyer and the willing seller.

If there were as many willing buyers as there were willing sellers, the valuations being used today would be a possibility, but, because there are not the number of willing buyers, even though there may be willing sellers, obviously it is not possible in the market place to obtain the number of payments which are part of the essentital ingredient of that method of valuation. For the purposes of succession or any other valuation, properties are being fictitiously valued, because the land may have a potential for grape-growing, subdivision, or for any other form of use. Because of the 1964 case in the Full Supreme Court of *Commissioner of Land Tax v. H. M. Martens*, we have a provision, which has been perpetuated by this Parliament ever since, that valuation may be determined on the best possible value for the property. I am talking about property, whether in the metropolitan area or in the country, and the comments I have made are as pertinent for land in the city, particularly land on corners or close to developing retail outlets, which is being valued at a sum far greater

than its real value or immediate value. Certainly all land, including rural land, is being valued at a value that is far greater than is the land use value of the land.

As a result, this form of valuation is having, and will continue to have, a significant effect on the succession about which we are talking now, and it should have been one of the features before the House on this occasion to alleviate the serious damage that is being caused to family units and to the productivity of many industries (large or small, but particularly the small, because they are basically the family units).

The other area in which we should have had a measure before the House to complement this Bill, because it is an essential part of the proper approach to the matter, is a provision to alter gift duties. We maintain that on the basis of a passage of $4 000 once each 18 months without having to effect an arrangement with the appropriate department on gift duty. That sum came in at a time when $4 000 was worth about what $12 500 to $14 000 is worth today, yet we have had no change. There is no significant possibility within the scheme of things to allow a father or mother to pass assets on progressively to the family, be it direct family or persons of a lesser direct lineage who are an essential part of a business, again be it industrial or rural.

Mr. Coumbe: At least $10 000.

Dr. EASTICK: I agree that it should be at least $10 000, as is recognised by the Commonwealth and in several other States. Until we have the possibility in a family company situation of the passage of some of the assets progressively over a period of time until eventual death of the surviving parent or both parents, there will be a need to restructure the business or the rural undertaking completely, and there will be an inevitable destruction of the family business or family unit. In using the word "family", I am not confining my remarks to immediate family, but I am including perhaps a son-in-law or a grandson. It is essential in the long-term interest of this State that an alteration of this nature should be made so that business organisations can play their part in the development of our State and provide the incidental and indirect taxes which are a flow-on from their existence.

I do not look gift horses in the mouth, but I believe that in supporting this Bill I am supporting less than I could have expected of a Government that claims to be interested in the welfare of the people of this State. The failure of the Government to fulfil its responsibility to the community at large is most unfortunate. All it has done is put a dob of pretty icing sugar on top of an unpalatable cake and tried to sell it. With the help of the media, the Government has been able to convince the people of this State that there is a benefit to the community at large. That is not the case, and the sooner that is realised the better.

The Auditor-General's Report for 1974-75 stated that the value of assessments issued during 1974-75 was $16 820 000, compared to $13 993 000 in 1973-74. I do not take into account the refund amounts, but that was an increase of 20·2 per cent in returns for that 12-month period. There was an increase in the number of assessments made from 6 800 to 8 100, that is, an increase of 1 300 persons called upon to pay succession duties. There was an increase of more than 19 per cent in the number of successions on which duty was paid. The amount recorded in 1975-76 was $19 076 705, an increase of $2 256 705 over the previous 12-month period. The number of persons paying succession duty in the 1975-76 financial year rose from 8 100 to 9 100. There was an increase of 12·8 per cent in actual financial returns and an increase of 12·3 per cent in the number of people who paid succession duty. Many of the extra people who paid succession duty were not what Government members frequently refer to as the tall poppies; many of that 9 100 live in the suburbs. They were people caught up in the inflation spiral who were not able to benefit by the transference of their parents' funds by a more realistic approach to gift duties. The situation is rapidly reaching boiling point. We are rapidly reaching a breaking point which will not favour the Government, which is hiding behind the subterfuge it gives in this announcement. I support the Bill.

The Hon. HUGH HUDSON (Minister of Mines and Energy) moved:

That the time for moving the adjournment of the House be extended beyond 5 p.m.

Motion carried.

Mr. WOTTON (Heysen): I support the Bill, and I support the comments of my colleagues, particularly those made by the member for Light regarding the method of valuation. That is a matter of great concern to many of us on this side of the House, and it certainly concerns me greatly. This legislation just touches the tip of the iceberg. Many constituents have approached me recently about the date on which this legislation will be passed. Many people are holding off the processing of estates because it has been announced that this legislation will be retrospective to July 1, 1976. This has meant that affairs cannot be finalised until the legislation is passed. For that reason, I hope the legislation will pass both Houses as quickly as possible.

This legislation will remove hardship, particularly emotional hardship at an emotional time, by allowing estates passing between husbands and wives to go through without the burden of succesStion duties. Breaking up a family estate is an extremely difficult period for the surviving spouse. It has happened to a large extent in the past that widows have found it necessary to break up the estate to enable them to pay the succession duties.

It is obvious that the Premier has had second thoughts, prompted, no doubt, by the controversy in the media following the comment he made recently on succession duties, when he said that people must expect to pay tax on what is after all a windfall. A wife and family usually work hard as a joint venture to build up a home, possessions and savings over a long period, and I believe it can hardly be regarded as a windfall to a surviving widow when a husband dies. The question of death duties has proved to be iniquitous to many people whose financial future has been placed in jeopardy through no fault of their own. The Government's move will be of considerable benefit to surviving spouses who stand quite rightly to inherit the family home, business, farm, or finance, but it does not go nearly far enough.

Suggestions have been made by rural organisations, and I pay a tribute to the United Farmers and Graziers of South Australia Incorporated and the Stockowners Association, which for 18 months or so have been making approaches to the Premier on the subject of succession duties. I believe that much credit must go to those two organisations for the help they have given to apply pressure to bring about changes, particularly in relation to land tax and succession duties. I support the work they have undertaken. It has been said (and I agree wholeheartedly) that an estate or business should be able to pass from a mother or father to direct blood relatives, provided, in the case of a family farm (as has been suggested by both these organisations) that it is the intention of those taking on the property to continue it as a rural business. It is extremely

important, especially in rural industries, to realise that, as the average age of a farmer today is 50 to 55 years, it is necessary for younger persons to become established and to be given incentive, which will in turn breed initiative, which is desperately needed in rural industries today. This legislation will not assist in making a family property more viable.

The SPEAKER: I point out to the honourable member that this Bill deals with succession duties between husband and wife. There is no mention of family.

Mr. WOTTON: Thank you for your guidance, Mr. Speaker. The initial purpose of succession duties, as I understand it, was to reduce the size of estates to enable the distribution of wealth. I may have a suspicious nature, but I cannot help wondering whether the $4 000 000 that the Government expects to lose this financial year as a result of the abolition of this duty will, in fact, later rear its ugly head in some area in relation to duties other than for spouses. I have given examples in this House of the effect these savage duties have had on people in my district. One of the most insidious aspects of death duties is that no differentiation is made in respect of an ability of an estate to meet the sum involved. People today are going to many pains to arrange proper and detailed estate planning, and those of us who have been involved in any such planning will realise that this is not cheap in any way, shape, or form.

Many factors have occurred over which the beneficiaries or the prior plans of the deceased have had very little or no control over the duties that needed to be paid on the death of a parent. I believe that young people working on the family farm are suffering most, and that this nineteenth century duty, which was intended to break the power of the established squatter class in Australia at that time and which was one of many measures introduced for that purpose, needs to be abolished. While I appreciate that the Government has only touched the tip of the iceberg, it needs to go much further with this matter. This tax is hitting the man in the street, the person involved in small business, and the small farmer, and I believe that it is grossly unfair that these people should feel the full effect of succession duties. I urge the Government to examine the question of the abolition of this tax as soon as possible.

Mr. BOUNDY (Goyder): I do not need to reiterate the philosophical points surrounding succession duties raised by my colleagues so fully and effectively. If I were a member of the Government, I might suggest that those points had been raised *ad nauseam*. Those points have been raised so forcefully and with some measure of repetition because members on this side realise how savagely succession duties fall on the small business sector of the community. I am not going to congratulate the Government on introducing this measure, because it is only cosmetic, it does not really do a thing: it merely defers the tax. There is still one whole section this is to pay, and the Government has effectively covered up these factors in this measure.

The Premier's ballyhoo is being believed by the community at large. Does the ordinary home owner realise that, by deferring this matter until the death of the partner, inflation may have done its worst and duty may be very much higher? Does the ordinary home owner, or small business owner in the city realise that, if his home and the assets attached to it are held as tenants in common, the division will reduce both estates, and that it is possible on the death of the first parent to leave the assets to the children with a use and enjoy clause for the surviving spouse at a much better result than this measure will achieve? I believe that the community is believing that it is better off with this measure when it is not.

I refer to what we did less than 12 months ago in this House when the Premier introduced his amnesty for those wishing to change their home titles into joint ownership and thus to reduce their estates in this way. Those people were hit by Federal duties, gift duty, transfer fees, and brokerage fees.

Surely, if the Premier is introducing this measure now, he knew 12 months ago he was going to do so, and it could have been done at the same time instead of costing sincere, trusting members of the community much money to change the ownership of their assets in the way the Government suggested. I believe that the community should realise that it is being conned by this measure.

The Succession Duties Act has been amended, re-amended, and the amendments amended. People in the community who have dealings with the administration of estates are screaming for the State Acts to be consolidated immediately, to produce a new Succession Duties Act, which would be understandable to those who must administer it. It is difficult, indeed, for trustee companies and other offices to keep up with this legislation. If the Government were sincere in wanting to help the community in general, it could have taken action on this matter 12 months ago, and would have saved at least one set of amendments to the Act. I reluctantly support the measure.

Mr. NANKIVELL (Mallee): Most of the arguments in support of the Bill and most of the criticisms of our Party regarding it have been put forward. I commend the member for Goyder on his contribution. I make one or two points in relation to the Bill, although I do not intend to speak on the subject of succession duties, which has been well canvassed by members on this side. First, this Bill achieves its objective most effectively, in fact, almost too effectively. Its object is to enable estates to pass between spouses with as little difficulty as possible, and that is actually effected by the legislation. In so doing, however, it has created some problems. I refer to page 2067 of *Hansard*, where the explanation of clause 7 is as follows:

> It is intended that very little information need be provided in relation to property derived by a spouse, thus relieving the administrator from the obligation to have expensive valuations made.

This is the area of difficulty in the administration of the Bill. From discussions I have had with the Registrar of Probate at the court, I understand that the matter has been raised with the judges and that they are examining the way in which charges can be made on an estate, because the court charges are worked out at present on a percentage basis. If no valuation is made, how can a fee be arrived at? The same applies to proctors' charges and to legal fees for administration of estates and, more especially, to trustee companies, because their private Acts stipulate that they can charge only a commission on the gross value of the estate. Unless a valuation is made, none of these fees can be fixed.

I remind the Government that representations have been made to the previous Attorney-General and to the present Attorney-General regarding the way in which charges can be made in the administration of estates. It has been requested that charges be approved in addition to commissions. I suggest the Government must give serious and helpful consideration to amending the existing private Acts of the trustee companies to enable them to handle the problems with which they are now faced regarding these

specific estates. I refer, of course, to estates passing between spouses; that is, passing from one spouse to another, whether legal or putative.

In the main, these estates relate to houses and, in this sense, where the family house is not affected, and where no money has to be raised against the family house to pay duties, certain categories of people, notably superannuants and young widows and widowers with families, derive tremendous benefit. I am sorry that the Government did not consider critically the situation of dependent children who, until now, have been in the same category as have spouses. They have not been included in these provisions, and estates passing to dependent children are still taxable at the present rate, as provided in the existing legislation.

I turn now to estates in which rural assets are involved, and I refer again to the unfortunate statement in relation to clause 7 that an administrator will not be obliged to have an expensive valuation made. I agree with the Commissioner of Succession Duties and his assistant that the procedure has been streamlined, but a valuation must be made in the case of a rural estate, because it involves stock, plant, and property. If a private company is involved it is necessary to establish the value of shares. Even if they are passing from one spouse to another, they must be valued. It is all very well to say that they do not have to be valued for State succession duties, but they must be valued because, for Commonwealth tax, estates valued at more than $90 000 passing to a spouse are subject to duty. With a rural estate, the figure is $98 000, and the executor of the estate has to swear on oath that the value declared is less than one of those figures, unless a valuation is made. He must protect himself by having a valuation made.

The statement is unfortunate, because it will lead to arguments. Inevitably, with many estates that will pass, even with these concessions, it will be necessary for a valuation to be made. The question of who pays for it will have to be resolved, especially as the trustee company cannot make a charge but can only levy a commission. A valuation must be made to assess the commission. The Government has streamlined the Bill from the point of view of affecting the succession of a grant in probate and the release of an estate, but in so doing it has created problems to which it has not given thought. I ask the Government to examine carefully the situation in which it has placed trustee companies, including the Public Trustee. I think amendments will be required to the relevant legislation if those trustees are to operate effectively. I support the Bill.

Bill read a second time.

The SPEAKER: Before calling on honourable members who have placed on the Notice Paper Contingent Notices of Motion in relation to the Bill, I draw the attention of honourable members to the restricted nature of the debate that may ensue. Standing Order 439 provides:

Debate on a motion for an instruction must be strictly relevant thereto, and must not be directed towards the general objects of the Bill to which the instruction relates or anticipate the discussion of a clause of a Bill.

In addition, Standing Orders provide that the mover of a motion for an instruction has no right of reply.

Dr. TONKIN (Leader of the Opposition): I move, pursuant to contingent Notice of Motion No. 2:

That it be an instruction to the Committee of the whole House on the Bill that it have power to consider new clauses relating to a reduction in the rates of succession duty payable.

The wording of the motion now calling for an instruction is self-explanatory. The matters have been canvassed perfectly adequately in the past and I do not intend to elaborate.

The SPEAKER: Is the motion seconded?

Mr. GUNN: Yes, Sir.

The House divided on the motion:

Ayes (21)—Messrs. Allen, Allison, Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Goldsworthy, Gunn, Mathwin, Millhouse, Nankivell, Russack, Tonkin (teller), Vandepeer, Venning, Wardle, and Wotton.

Noes (21)—Messrs. Abbott and Max Brown, Mrs. Byrne, Messrs. Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, Langley, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Pairs—Ayes—Messrs. Evans and Rodda. Noes—Messrs. Broomhill and McRae.

The SPEAKER: There are 21 Ayes and 21 Noes. There being an equality of votes, I give my casting vote in favour of the Noes.

Motion thus negatived.

Mr. GUNN (Eyre): I move:

That it be an instruction to the Committee of the whole House on the Bill that it have power to consider new clauses relating to relief from duty on successive deaths and prohibition of dealing with moneys.

The motion deals with quick succession relief and the release of moneys held by partnerships. The matters have been canvassed. I do not wish to delay the House, but I hope that the House will support the motion.

The SPEAKER: Is the motion seconded?

Mr. GOLDSWORTHY: Yes, Sir.

The House divided on the motion:

Ayes (21)—Messrs. Allen, Allison, Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Goldsworthy, Gunn (teller), Mathwin, Millhouse, Nankivell, Russack, Tonkin, Vandepeer, Venning, Wardle, and Wotton.

Noes (21)—Messrs. Abbott and Max Brown, Mrs. Byrne, Messrs. Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, Langley, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Pairs—Ayes—Messrs. Evans and Rodda. Noes—Messrs. Broomhill and McRae.

The SPEAKER: There are 21 Ayes and 21 Noes. There being an equality of votes, I give my casting vote in favour of the Noes.

Motion thus negatived.

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

ADJOURNMENT

At 5.25 p.m. the House adjourned until Tuesday, November 23, at 2 p.m.