HOUSE OF ASSEMBLY

Wednesday 9 November 1983

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

ASSENT TO BILLS

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

Fisheries Act Amendment,
Inheritance (Family Provision) Act Amendment,
South Australian Meat Corporation Act Amendment,
Supreme Court Act Amendment (No. 2).

QUESTIONS

The SPEAKER: I direct that the written answers to questions as detailed in the schedule that I now table be distributed and printed in *Hansard.*

PETTY CRIME RECORDS

In reply to **Mr FERGUSON** (4 August).

The Hon. G.J. CRAFTER: The question of expunction of criminal records has been considered by several bodies since the 1973 Law Reform Committee Report. In particular, the Standing Committee of Attorneys-General has been seeking to find a solution to the difficult practical problems involved, so that uniform laws can be enacted throughout Australia.

Under a previous Labor Government a report was prepared on the implementation of procedures for the expunction of criminal records. The Government supports in principle some form of expunction procedure. However, lack of resources at present does not enable work to commence at this stage, but as soon as resources become available further attention will be given to the issue.

MOTOR VEHICLE INSURANCE PREMIUMS

In reply to **Mr FERGUSON** (18 August).

The Hon. G.J. CRAFTER: I have been informed by the Commissioner for Consumer Affairs that some, but not all, insurers charge a higher premium for comprehensive insurance on vehicles that are subject to a consumer mortgage. Since 1 November 1973, any vehicle purchased subject to a consumer credit contract is not 'on hire purchase'. The credit provider's interest is secured by a consumer mortgage over the vehicle.

Although insurers have given various reasons for charging different premiums, the major reason common to all is that the decision to do so and the amount of differentiation is based on assessments of the risks involved after analysing the statistics of their claims experience. Factors taken into account include the type of car, the age and driving experience of the insured, and whether the vehicle is subject to a consumer mortgage.

It has been the experience of some insurers that vehicles subject to a consumer mortgage have a higher claims ratio than those purchased under other forms of finance, such as a personal loan, or those which are freehold. Consequently, those insurers will, subject to market competition, charge a higher premium on vehicles which are subject to a consumer mortgage. However, this is not always so as one large insurer's premium rates showed that, for a particular combination of vehicle category and driver age and history, a lower premium was charged if the vehicle was subject to a consumer mortgage then if the vehicle was freehold.

It would appear then that it was not correct to say that consumers who have a motor vehicle subject to a consumer mortgage are being treated unfairly by being charged high premiums in some instances when the basis for arriving at premiums is to a large extent related to claim experience.

The payment of commissions to salespersons by both insurers and finance companies, which is common practice, is covered by legislation. Section 45 of the Consumer Credit Act limits the commission payable by a finance company to a salesperson or dealer to an amount not exceeding 10 per cent of the total credit charge, and section 40 of the Consumer Transactions Act limits the commission payable in respect of a prescribed contract of insurance to an amount not exceeding 20 per cent of the total premium.

Any breaches of these provisions relating to commissions should be reported to the Department of Public and Consumer Affairs for appropriate action.

SUNDAY MARKETS

In reply to **Mr BECKER** (23 August).

The Hon. G.J. CRAFTER: Sunday market operations are not being policed at the moment because they operate outside of normal working hours. I understand that officers of the Department of Public and Consumer Affairs have attended both the East End and Brickwork markets in a private capacity, and have reported no apparent breaches of legislation administered by the Department. However, if a consumer complaint is received by the Department an appropriate investigation will be conducted. With regard to Shanghai Charlie, inquiries were made through the New South Wales Consumer Affairs Bureau following publicity in the *News.* That Bureau reported that, although he was well known, no problems had been encountered concerning his Sydney operation.

VIDEO INDUSTRY

In reply to **Ms LENEHAN** (23 August).

The Hon. G.J. CRAFTER: The Minister of Consumer Affairs has provided the following reply:

Having referred this matter to the Commissioner for Consumer Affairs, I can now report that the Consumer Services Branch of the Department of Public and Consumer Affairs has received very few complaints concerning video sales, or the video industry in general. At this juncture the Branch has not received complaints alleging dubious trade practices in this State.

I understand that many of the problems reported in New South Wales have related to the entry into the market of door-to-door selling operators. The Consumer Services Branch is not aware that such operations have been set up in South Australia. If the honourable member can provide me with specific details of her constituents' complaints, I will have the matters investigated.

GUARD DOGS

In reply to **Mr BAKER** (13 September).

The Hon. G.J. CRAFTER: I am advised by my colleague, the Attorney-General that the person to whom the question refers is presently a security agent licensed under the Com-

mercial and Private Agents Act, 1972-1978. As such, the matter has been referred to the Commercial and Private Agents Board for its investigation. As the honourable member will know, the Board is empowered to conduct an inquiry into the conduct of a licensed agent and to take disciplinary proceedings against the agent if it finds him/her guilty of discreditable conduct, neglect of duty, or any other cause which in the Board's view would warrant disciplinary action.

RUST-PROOFING

In reply to **Ms LENEHAN** (13 September).

The Hon. G.J. CRAFTER: I am advised by my colleague the Minister of Consumer Affairs that the Department of Public and Consumer Affairs is well aware of unsatisfactory practices in relation to rust-proofing, having carried out its own investigations in August 1982. No further investigation is proposed at this stage, but the Department will continue to investigate any complaints received and to assist consumers who wish to have independent checks made as to the effectiveness of rust-proofing carried out on their cars. Special kits are available from the Department comprising:

- advice on the procedure to be followed;
- a comprehensive check-list to be used when assessing the effectiveness of rust-proofing; and
- a complaint form.

Consumers who have had rust-proofing work carried out on their cars would be well advised to obtain one of these kits from the Department, and to follow the suggestions made in the kit.

The results of the investigation carried out by the Department were extensively publicised at the time. The Department arranged for 63 vehicles, selected by the dealers themselves, to be inspected, using the draft S.A.A. standard as the bench-mark. Only three of these were passed as satisfactory. The failures were more serious in the case of rust-proofing products applied by car dealers than in the case of treatment by rust-proofing specialists. Some dealers and their staff were so ignorant of the proper methods of application that some cars which had been inspected had to be taken back to the dealer two or three times before satisfactory treatment was achieved.

It seems that some car dealers are attracted by the huge profits that are available in rust-proofing, and pay little or no regard to proper training of their staff to ensure that the products are properly applied. In a sales letter dated 9 May 1983 to car dealers from Repco Auto Parts, dealers are advised that:

> The average dealer currently pays around $85 to have a vehicle rust-proofed, and charges the customers approximately $200. With the Waxoyl treatment the dealer can reduce his cost to around $45 per vehicle. That adds up to heaps of extra profit. For a dealer that is currently selling and rust-proofing 20 vehicles per month, he can add almost another $10 000 profit per year to his business!

The whole thrust of this sales pitch is that the product known as 'Waxoyl' is easy to apply and can generate huge profits to the dealer. No mention is made of the need to train staff to ensure that it is properly applied.

As a result of the Department's investigations, the Consumer Transactions Regulations were amended to include as a prescribed service 'the treatment of any motor vehicle for the eradication or prevention of rust'. This means that there is a statutorily implied compulsory warranty that the service will be carried out with due care and skill, and that materials supplied will be fit for the purpose. A breach of the warranty gives rise to a claim for damages against the dealer. The Australian Standard for rust-proofing products (AS 2662) is expected to be ratified next month. A further draft of the standard for application of the production is expected to be published at the same time, but is not likely to be finalised for several months. If all those in the industry complied with these standards, the problems experienced in the past would be overcome. Therefore, when the standards have been finalised, consideration will be given to making regulations under the Trade Standards Act so that compliance with the standards will be compulsory. However, it may be necessary to amend the Trade Standards Act to enable this to be done.

CAR PARTS

In reply to **Mr KLUNDER** (15 September).

The Hon. G.J. CRAFTER: If a retailer or manufacturer represents that car parts or accessories are suitable for a particular car, when in fact they are not, the existing law generally provides a satisfactory solution. The retailer or manufacturer would almost certainly have committed an offence under either the Trade Standards Act (section 31 (2) *(a)* (iii)), the Misrepresentation Act (section 4 (1)), or the Federal Trade Practices Act (section 53 *(c)*) and a purchaser who relied on the representation would be entitled to redress in a civil claim.

The problem is more difficult in the case of parts or accessories which are represented as suitable for particular cars without any information being given as to whether those cars fitted with these accessories may legally be driven on the road. The legal position in these cases would depend on the precise nature of the representation and the context in which it is given. There is a further problem in that some parts or accessories are sold without any information at all as to the cars for which they are suitable or to which they may legally be fitted. Some of these may legally be fitted to some cars but not to others.

The Minister of Consumer Affairs is arranging to have this matter researched to see whether the responsibilities of manufacturers, distributors and retailers can be clarified. It may be possible to prescribe an information standard under the Trade Standards Act requiring disclosure of particular information as to the legally permitted uses of motor vehicle parts and accessories. However, the Department of Transport will be consulted as it may be more appropriate to deal with the matter under the Road Traffic Act. It would also be preferable to develop a solution to this problem on a uniform basis with other States, particularly as many of the products in question are manufacturered and packaged outside South Australia.

LEGAL AID SERVICES

In reply to **Mr MAX BROWN** (21 September).

The Hon. G.J. CRAFTER: The Attorney-General has sought the assistance of the Government Office Accommodation Committee to find suitable accommodation for the Legal Services Commission's regional office at Whyalla. The Director, Legal Services Commission, proposes to advertise new positions for the regional office within the next two weeks. On present indications the regional office should be opened at Whyalla in November or early December 1983.

INSURANCE INTERMEDIARIES

In reply to **Mr FERGUSON** (22 September).

The Hon. G.J. CRAFTER: I am advised by my colleague the Attorney-General that the Commonwealth Government has prepared an Insurance Intermediaries (Agents and Bro-

kers) Bill to regulate the activities of insurance intermediaries essentially in accordance with recommendations of the Australian Law Reform Commission. The Treasurer, Mr Keating, has been assigned Ministerial responsibility for the introduction and carriage of the Bill.

My colleague, in his capacity both as Minister of Consumer Affairs and Attorney-General, has made repeated representations to the Commonwealth Government stressing the urgency of introducing some form of regulation of insurance intermediaries. At the meeting in Perth last month of the Standing Committee of Consumer Affairs Ministers, Commonwealth representatives undertook to expedite the introduction of legislation. This Government has publicly expressed its general support for the system of regulation suggested by the Australian Law Reform Commission. It is understood that the Commonwealth Government is aiming to introduce a Bill in the present (Budget) sitting of the Parliament.

LEGAL AID

In reply to **Mr GROOM** (22 September).

The Hon. G.J. CRAFTER: The additional moneys for legal aid referred to by me in answering the above question could be about $400 000 in a full financial year. In addition the State Government has increased the allocation to the Legal Services Commission in 1982-83 of $607 000 by $63 000 or about 10 per cent.

The Commonwealth Attorney-General has advised me that an additional seven solicitors will be employed by the South Australian Legal Services Commission to meet the increased demand for legal aid in its area of responsibility. This staff increase is in addition to the staff to be engaged for the regional offices to be opened at Whyalla and Noarlunga.

SPEAKER'S GALLERY

The SPEAKER: I ask those persons who are now standing in the alley way of the lower Speaker's Gallery on my lefthand side to vacate that area until 2.20 p.m., when ample provision will be made for them. I should explain to the House that a full explanation has already been given by me, as Speaker, in Centre Hall to those involved. Also, I ask any person standing in the entrance or exit galley ways on either side to clear those passages.

QUESTION TIME

STATE TAXES AND CHARGES

Mr OLSEN: Will the Premier place an immediate freeze on all State Government taxes and charges, at least until the end of the present financial year? As the Premier would be aware, a rally was held on the steps of Parliament House just over an hour ago by irrigators from the Riverland complaining about increased water charges. These irrigators have been burdened by the Bannon Labor Government with an increase of 28 per cent on their water charges. In that case it has been demonstrated that they face severe financial hardship, and this increase should be removed. Apart from higher water rates, the recent rise in electricity tariffs will significantly increase their water pumping costs.

Increases for water rates and electricity tariffs are just two of the 72 increased charges implemented by the Premier in the past year, despite his election promise to not increase taxes and charges by way of back-door taxation. The full list that I have here is two metres long—

The SPEAKER: Order! It is obvious that the honourable member is debating the matter. I would ask the honourable gentleman to come back to Standing Orders.

Mr OLSEN: I do not wish to debate the matter: I merely wish to point out the facts to the House. There have been 72 increases in charges as well as taxation level increases in this State. The increases include, for example, transport fares which have risen by an average of 47.6 per cent; hospital charges up 20 per cent; and Housing Trust rents up $5 a week with a further $2.50 increase from February next year. I have received many complaints from people throughout the State concerning the extent of increases in taxes and charges imposed by the Government that is causing growing economic problems for tens of thousands of South Australian families.

At the most recent election the Premier complained that the former Government had increased 100 charges during the term of that Government. The list I have indicated to the House shows that under the present Government charges are going up at twice that rate. Under the former Government South Australian State taxes were reduced to the lowest per capita rate in Australia. Because of the hardship being imposed on South Australians due to the financial policies of this Government, I seek an undertaking from the Premier that taxes and charges will be frozen for at least the remainder of this financial year.

The Hon. J.C. BANNON: This really is a pretty scurrilous campaign being waged—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: Let me say that I find it extraordinary, coming from a Party when day after day Ministers in the Government are being asked to make special concessions—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: —increase expenditure, provide new teachers—

Members interjecting:

The SPEAKER: Order! Members will come to order.

The Hon. J.C. BANNON: —to provide $200 000 to repair some toilets in a particular location (a job that we recognise as being needed), and to provide special assistance to those in the Riverland who are experiencing enormous problems at present. All these demands are coming through at every single point, and yet members opposite are refusing to allow the Government the ability to raise the revenue that is necessary.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: It is even more extraordinary that the member who has asked the question only a few months ago agreed that it was necessary to raise taxes, and he himself suggested—

Members interjecting:

The SPEAKER: Order! There will be order in the House of Assembly. Only a few moments ago I spoke to a group of very angry people from the Riverland of South Australia, and I promised them that every endeavour was being made by the House of Assembly to facilitate their democratic rights to hear a proper debate on what was occurring. They gave me, through their spokesman, an undertaking that their behaviour would be of an excellent quality. I can only hope that honourable members' behaviour will be of an excellent quality and that the debate that these good citizens of South Australia have travelled so far to hear will live up to their expectations. The honourable Premier.

The Hon. E.R. Goldsworthy: Let him stick to the truth.

The SPEAKER: Order! I warn the Deputy Leader of the Opposition. The honourable Premier.

The Hon. J.C. BANNON: The very person who asked the question, only a few months ago was conceding the necessity, because of the parlous situation of the State's finances, to raise taxes in some way. He himself suggested a number of ways to do that, including the raising of transport fares and the imposition of a petrol levy. It is about time we stopped this hypocrisy coming from the other side of the House. Let me deal with taxes and charges.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: In the case of taxes, in August I announced a revenue-raising total package containing a number of measures in an attempt to gain some revenue by which we could hold the deficit that this State was carrying. I did that in the light of advice from Treasury that, by November of this year (this month), unless some attempt was made to raise revenue in that way, the State's cash balances—which normally stand in the order of $140 million to $200 million, and had done so consistently until the last couple of years when the Tonkin Government used those cash balances to prop up its recurrent Budget by deferring capital works—would be zero and we would have to go cap in hand to the Commonwealth Government to ask for some temporary relief because we would not have had the money to pay the wages of those people employed by the Government.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: That situation did not develop in a few short months: it arose through a number of factors which I have outlined in detail in this House. I have detailed chapter and verse of the components of the deficit that we have been carrying and gave the reasons, despite the unpopularity and despite the odium. Do members opposite think the Government wants to attract such criticism? Do they think that that is what we are on about? Despite that we had to do it—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: If members opposite, particularly those who were in the Ministry, had had the guts to tackle the State's finances in 1979 to 1982 as we went down the drain, we would not be in the position that we are in today. It is as a result of their neglect and their refusal to face their responsibilities. My Government will not shirk those responsibilities, although it knows that it will attract unpopularity and criticism and, in some cases, will cause temporary hardship. We cannot duck that responsibility and we will not duck it. We will not allow this State to drift into bankruptcy as was happening when members opposite were the responsible Ministers.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: That is why we have been forced to raise taxes. Let us look at the question of charges. I have been critical and remain critical of the use of charges and increasing charges to attempt to gain revenue for the Government. That means that, if those increases are of such a nature as to yield more than the cost of delivery of that service, that is a form of taxation. That is accurately described as back-door taxation. Charges must be raised as costs rise. Charges surely should be related in some way to the cost of provision of the service, and that is my Government's charging policy. It is a responsible policy. That is the only policy that can be adopted unless we are going to see charges become a major burden on the taxpayer and we will have to try to raise the money in some other way, through the taxing system in particular.

In relation to E. & W.S. charges alone, if it were not for the fact that, as a matter of policy, country users of water are heavily subsidised, we would be supplying those services for the E. & W.S. at a break-even point and there would have been no need to increase the charges this year or the year before.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: Now, it is because this Government accepts its responsibility to these country users, because it is prepared to carry on that policy of subsidisation, that charges have to be raised. The burden of those charges, in terms of the cost of delivery, is falling on those urban users who at the moment are paying more than the cost of delivery of those services. That is a fact of life. If members opposite do not want that to continue, if they want us not to raise charges in that area, let them say so, but let them understand the impact that that will have on country districts in this State.

There is the question of charges, and it is about time some responsibility was shown on that side of the House about them. Let me say in relation to the plight of those in the Riverland, who have certainly recently had a major increase in their irrigation water charges, the fact is that in terms of their overall cost it has added something like 2 per cent. The fact is also, and we recognise it, that they are in a very difficult position in the current economic climate.

Under the previous Government, particularly under a Minister whose district it was that was covered by it, and whose Ministerial responsibility involved his looking after particularly that district and who as a grower had a direct interest involvement in that district, I believe the hard decisions were allowed to drift and the Riverland was allowed to get itself into a position where it is going to be very hard indeed to do something about it.

Let me point to two areas. Over the past five years something like $50 million has been put into the irrigation capital works programmes in that area. I do not begrudge that. I believe that that is in the interests of the State. But, let me say this: we must recognise that we cannot continue to subsidise in those terms indefinitely that sort of operation. A major redevelopment has to be undertaken in the Riverland.

Look at the case of the Riverland Cannery during the 1970s. We heard criticism from members opposite about what a terrible thing the Government was letting happen. They got into office and what did they do about it? Nothing. They allowed the situation to deteriorate to the point where the cannery is being subsidised by the total taxpayers of South Australia at about a $4 million loss per year.

We have taken the first positive steps to try to restructure and to do something about that. With the Riverland Development Council, with the assistance of the Federal Government, with the efforts of colleagues such as the Minister of Water Resources and the Minister of Agriculture, and with the co-operative effort of those in the Riverland, I believe that we can ensure revival in that area, but it cannot be done on an open cheque basis at the expense of developments everywhere else in the State. That is a fact of life, and it has to be faced. One has to start counting the cost. Our Government is prepared to do it. We will grasp the nettle to try to deal with it, because we believe that it is in the long term interests of the Riverland.

Let me say finally that it is all very well to boast of the lowest per capita taxes in Australia. If one wants the lowest per capita services in Australia, if one wants, for instance, lengthy delays in sewer connections and water reticulation, if one wants to cancel the water filtration programme, if one wants to double class sizes in our schools, and if one wants no more hospitals, fine, we can have the lowest tax

structure in Australia. However, the price we pay for that is the eradication of the living standards of those people in our society who can least afford to pay. My Government will not tolerate that.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: I do not say that we should be the highest taxed State in the country but I say that, as a State that expects services and facilities to be of a level at least average in Australia, so our taxing effort must be at least average in Australia. To allow it to drift in a scandalous way will result in bankruptcy and that is what we were headed for.

Let me say finally that reference has been made to the concern expressed by a large group of growers in the Riverland about their current plight, and I have already referred to some of the problems involved in that and to my Government's desire to do something constructive and realistic about it. That does not mean grandstanding in this place, as the members opposite would, and you, Mr Speaker, assured those people, you advised us, that they would be able to hear a sensible and constructive debate in this place on their problems. I suggest there were two ways in which the Opposition could have achieved this. First, it could have taken the matter to be of such gravity as to move a motion of no confidence in the Government: we would have accepted the debate. It would have ensured a debate of two or three hours, both sides could have been heard, people in the gallery could have heard the course of the debate and, at the end, a vote could have been taken on it. That was a course open to the Opposition. The one thing that it was required to do was at 12 o'clock today give us notice of such a motion.

The Hon. D.C. Wotton: It's already been debated here.

The SPEAKER: Order!

The Hon. J.C. BANNON: At 12 o'clock today no such notice was given, so there is no debate contemplated by members opposite along those lines today. Secondly, if a debate were to take place, it was open to the Opposition by 1 o'clock today to lodge with you, Mr Speaker, a letter saying that as a matter of urgency it wished this debate to take place and the debate would have occurred.

Members interjecting:

The SPEAKER: Order! Order!

The Hon. J.C. BANNON: At 1 o'clock today no such notice was given and I suggest—

Members interjecting:

The Hon. J.C. BANNON: I will let the shouting from the other side cover their confusion and embarrassment.

Mr Olsen interjecting:

The SPEAKER: Order! Order! I ask the honourable Premier to sit down. Am I to take it that there is an inference from the Opposition (and I am asking a direct question of the Leader of the Opposition) that such a letter was delivered to my staff by 1 o'clock today?

Mr OLSEN: Certainly not, Sir. My interjection was to point out to the Premier the fact that this House has already debated that motion, moved by the Opposition, and defeated by the Government.

Members interjecting:

The SPEAKER: Order! Order! All I wanted to get clear was that there was no such suggestion because my staff, unlike myself, cannot defend itself. There is no suggestion that there was a letter delivered to my office before 1 o'clock today: I certainly checked it and I was assured that there was not. The honourable Premier.

The Hon. J.C. BANNON: The point is—

The Hon. D.C. Wotton: It was defeated on 26 October in this place.

The SPEAKER: Order! That has nothing to do with the matter: it is totally irrelevant.

The Hon. J.C. BANNON: We can see the problems that they are having by this extraordinary performance.

Members interjecting:

The SPEAKER: Order! The honourable Premier.

The Hon. J.C. BANNON: The point I am making is that if it was considered necessary and important that a debate should be conducted, particularly a debate with those who have come all this way, it was open to the Opposition to so move in accordance with the procedures of this House.

Members interjecting:

The SPEAKER: Order! Order! The honourable Premier.

The Hon. J.C. BANNON: Opposition members chose not to do so, and I suggest that the reason is that they know that, in a rational, clear minded and sensible debate, it would be quite clear that there are not only two sides to this question, apart from the simplistic nonsense being peddled by those opposite, but that there are in fact good and sound reasons for what has happened, and indeed justification for it. Indeed, it is the intention of this Government to ensure that the viability of the Riverland is secure. Those are the facts that would have come out in such a debate, and accordingly I suggest that it is quite scurrilous for members opposite to behave in this way.

Mr OLSEN: I rise on a point of order, Mr Speaker. I ask for your ruling as to whether, if a motion has been before the House in session, debated and defeated, as it was in this instance, by the Government, Standing Orders preclude a member from debating the same motion in the House.

Members interjecting:

The SPEAKER: Order! This is ludicrous. The people who have travelled from the Riverland are entitled to more civility than this. I intend now to take proper advice on the matter. I think I know the answer, but I am not going to insult the people to whom I spoke in Centre Hall this afternoon by thinking I know the answer: I am going to know the answer. I ask, in the same way that they have shown me the courtesy of honouring their undertaking to be quiet, that honourable members might think about their duties.

Members interjecting:

The SPEAKER: I call members to order; otherwise I will have to invoke Standing Order 172 if this continues. There is no point of order, but in so far as the question was raised the answer is 'No', and the Leader is correct.

Mr Ashenden: Next time get your facts straight.

The SPEAKER: Order! I call the honourable member for Todd to order.

MOUNT GUNSON MINE

Mr GREGORY: Can the Minister of Mines and Energy provide any details and information he has received from Mount Gunson Mines Pty Ltd on the discovery of additional oil reserves? I have been advised recently that the Mount Gunson mine was in a run-down phase as the recoverable ore body was being rapidly depleted. Any discovery of recoverable copper would be an important development for employees facing the closure of the mine early next year.

The Hon. R.G. PAYNE: I am pleased to provide information on the additional ore bodies which have been discovered by C.S.R. at its Mount Gunson operation.

Mr Gunn interjecting:

The Hon. R.G. PAYNE: For the member for Eyre's information, there are probably many people in South Australia who are interested in knowing what he says he already knows. As the member for Florey observed, the mine had been facing closure in July next year, when the last of the

reserves in the cattlegrid orebody were scheduled to be mined out. However, I have been advised by the General Manager of Mount Gunson Mines, Bruce Flood, that new ore discoveries will extend the life of the mine until at least March 1985.

Two new ore discoveries have been made. The first is a 400 000-tonne deposit grading 2.2 per cent copper located immediately north-west of the cattlegrid orebody which is currently being worked. The second discovery involves a further 140 000 tonnes of ore grading 1.6 per cent copper and 25 grams per tonne of silver which has been delineated near the old 'main open cut' workings about one kilometre from the Mount Gunson concentrator. In addition to these discoveries, an intensive exploration programme, including diamond drilling and advanced exploration techniques, is continuing in the search for further reserves. Officers of the Department of Mines and Energy are working closely with C.S.R. exploration personnel in the search for new reserves.

I would like to place on the record the Government's appreciation of the determined efforts of C.S.R. and Mount Gunson mines to keep the Mount Gunson project alive. Extension of the mine's life will maintain continuity of employment for the project's 200 employees and contractors and will generate about $20 million of export income for South Australia. It will also be warmly welcomed by the many South Australian companies which supply a wide range of goods and services to the mine.

Mount Gunson produces 12 000 tonnes of copper metal annually as a concentrate which is sold to Sumitomo in Japan under a long-term contract. The product also contains significant quantities of silver. Mr Flood has informed me that there is a world-wide shortage of high quality copper concentrate, and this had been a significant factor in the economic evaluation of the new deposits. I can only express the hope that the company's continuing exploration efforts will produce results at least as successful as today's announcement, and that further extensions of the mine's life will follow in due course.

SPEAKER'S RULING

The SPEAKER: Order! Before calling the next speaker, I have been asked to clarify a previous ruling, and I now do so. Without amending that ruling, I add that a motion of no confidence, either in the Government or (and I guess that the effect would be the same, given a serious enough topic—even if it be on the same topic—if it were) in a Minister, takes precedence. Secondly (and this is the point on which I am being very clear, not so much for the benefit of members of this House but particularly for the benefit of the citizens of the Riverland who have been so outstanding in keeping their undertaking as to their behaviour this afternoon), it is not the Speaker's job to coach either side, and I do not intend to do so.

The Hon. E.R. GOLDSWORTHY: I rise on a point of order, Mr Speaker. What has prompted that extraordinary explanation which you have just given, in view of the fact that no question has been raised on the floor of the House? I understand that Standing Orders preclude addresses to the gallery. What has prompted that extraordinary statement?

The SPEAKER: As I have done many times in the past 11 months since being elected, I have responded to a member coming to the Chair and asking for clarification of a particular ruling, and that has come from both sides. If one thing can be said, it is that I have had equal criticism from both sides, and in that matter I am quite proud. I call the honourable member for Chaffey.

There being a disturbance in the gallery:

The SPEAKER: Order! I ask the citizens from the Riverland to keep up their good record.

WATER RATES

The Hon. P.B. ARNOLD: In view of the obvious plight of irrigators in Government irrigation areas, will the Premier rescind the 28 per cent increase in water rates, instruct the Director of State Development to assess their economic situation and make a recommendation to the Government on an appropriate increase, if any? The information required by the Director of State Development to make this assessment is readily available to him through the Department of Agriculture and the Bureau of Agricultural Economics, and it is considered that the Director would have no difficulty in placing a recommendation before the Government within two weeks. That is in line with the motion which was moved in this House, namely:

> That this House condemns the Government for its irresponsible increase of 28 per cent in water and drainage rates in Government irrigation areas, especially at a time when unemployment in the Riverland has risen by 100 per cent over the past year and grower returns are at an all-time low, and calls on the Government to:
> *(a)* rescind the 28 per cent increase in water and drainage rates;
> *(b)* instruct the Director of State Development to determine what increase in rates, if any, the irrigation industry can withstand; and
> *(c)* limit an increase only to a level which the Government can clearly demonstrate that the irrigators can sustain.

On 26 October (page 1371 of *Hansard*) that motion was put to a vote in this House and was defeated by the Government, with the Premier voting against the motion. The plight of irrigators in Government irrigation areas, particularly in the Riverland, was highlighted by the Department of Agriculture's economist stationed at Loxton in his statements published in the *Murray Pioneer* of Tuesday 18 October, as follows:

> Many growers needing help . . . Our evidence indicates there are, between one-quarter and one-third of Riverland fruitgrowers who have inadequate incomes and who urgently need a solution to the problems.

That statement was made by a Department of Agriculture economist who has been based in the Riverland for many years. He is highly regarded and knows the industry inside out. I suggest to the Premier that the information is readily available to the Government, and a decision to not have the Director of State Development undertake a study would clearly indicate that the Government does not want to know the answer.

The SPEAKER: Order! The honourable member would well know that his last remark was completely out of order. The honourable Premier.

The Hon. J.C. BANNON: I do not think anyone can have any objection to a local member's representing the interests of his constituents. Moving the motion to which the honourable member referred in his question and asking this question today indicates clearly that the honourable member is representing the demands and the aspirations of his constituents. However, I think that a member of Parliament also has a responsibility to explain and to understand in broad terms the underlying problems of a particular issue. Further, I think that if a member has had the responsibility of being in charge of a certain area of Government policy over a number of years, which in this case is that concerning the delivery of water supplies, irrigation and other services throughout the entire State, there is an even heavier onus on such a member to adopt a responsible attitude in addressing the problems of his constituents. It is not good enough to simply echo the demands in regard to an issue, to raise them in this House, and no doubt attract the

plaudits of his constituents, without also addressing that responsibility.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: It is a pity that the Government of which the honourable member was a part did not do so. In answer to the question, the Government is not prepared to alter the present determination of rates. It recognises that problems are caused by it but, to alter it—especially in the present situation—will simply be yet another papering over of the underlying problems of the Riverland. By focusing on a particular section like that, one will simply allow the broader problems, which must be addressed directly and promptly, to be overlooked. We will not do that because those rates and the actual assessment of the cost of delivery as well as the subsidisation required for irrigation services are part of the problem to which we must address ourselves if there is to be a long-term reconstruction of the Riverland. Unless we identify those costs and how, in time, they can be recovered and the area made profitable, we will get nowhere.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: As to the second aspect of the question, my answer is 'Yes': we are prepared to undertake and, indeed, have in process, an urgent assessment of those problems. The Director of State Development is addressing the whole question as a matter of urgency. We are assembling a team to ensure that all appropriate information is put together, and we are attempting to enlist the aid of the Commonwealth Government in undertaking that process. I hope that the local member, amongst others, recognises the responsibility to assist us in that work so that we can achieve a solution for the people in the Riverland.

TOURISM

Mr HAMILTON: Will the Minister of Tourism investigate allegations that United States citizens are experiencing difficulties in obtaining pamphlets and information on South Australia's tourism potential and places to visit? Recently, through a mutual friend, I honoured an undertaking to bring into Parliament House several people from the United States. In so doing, I was informed of the problems they had whilst in this country and in trying to tour South Australia. Subsequent to that meeting with these people from the United States, I asked my friend to detail, by way of correspondence, the problems he had ascertained from these people. The letter, dated 4 November, addressed to me, states:

> Dear Kevin,
> Further to our discussion of last Thursday 3 November 1983 concerning tour organised for Mr and Mrs Lloyd Huiss and daughter Jackie.
> Concerning the lack of information on places to visit, rail tours and general travel arrangements within South Australia, the travel agent in Columbus, Ohio, which organised the air tickets through Qantas, had no luck at all with inquiries pertaining to South Australia.

From an earlier visit to the United States he was instrumental in encouraging these people to come to South Australia. They eventually arrived in Sydney, and his letter states:

> Eventually, I had to book their rail tickets through Australian National, care of Adelaide station because the State Rail Authority of N.S.W. had forgotten to contact the travel agent back to say when the projected Indian-Pacific rail strike was over. The Huiss's rang me here to tell me the above. So, I had their bookings made this end ex Sydney to Adelaide. I might add, $550 in rail fares which Australian National would have missed out on, because Qantas or the Tourist Commission could not or would not handle it.

He further indicated that Australian National staff in Adelaide could not have been more efficient nor more helpful. He said that these visitors would have enjoyed a trip to Alice Springs and Ayers Rock, but information on distances from Adelaide was not available. He also said that, if information had been available, he could have booked them on a bus or train to visit Alice Springs. His letter continues:

> I personally believe that the problem lies with staff at the Tourist Commission offices in the United States of America. I believe the staff should be made up of people representative of every State.

Members interjecting:

Mr HAMILTON: It is obvious that members opposite are not concerned about tourism in South Australia but I certainly am. I draw attention to this correspondence because tourism is worth many millions of dollars to South Australia, especially if we take into account the potential of the United States. My friend's letter continues:

> In ending, I would just like to explain a bad mistake Qantas made. From Adelaide my visitors wanted to fly to New Zealand (Auckland). Instead of booking them on a Qantas flight leaving Adelaide on Thursday morning at 9 a.m. direct, Qantas in the U.S.A. booked them on an Ansett flight leaving Adelaide at 6.45 a.m. on the same morning for Sydney, then Sydney to Auckland, then Auckland to Sydney, Sydney to Los Angeles. How ridiculous! Luckily I realised Qantas's mistake. I took my visitors into the Adelaide office in King William Street to have their tickets re-routed Adelaide to Auckland direct. The Qantas staff were helpful and even stated themselves how ridiculous that this ticket was issued. I would have been furious if this had cost more money. Thank goodness the staff at Qantas said they could get around this at no extra charge, expressing, of course, that they were not supposed under normal circumstances to alter these types of tickets.

He further points out:

> However, over and above the lack of information, a good trip was experienced by my visitors. Actually, their travel agent in the United States wishes a report from them on their return as she had interested several other clients in the same tour.

Finally, I point out that Mr Huiss brought—

Mr Ashenden interjecting:

Mr HAMILTON: It is obvious that the member for Todd is not really interested.

The SPEAKER: Order! The member for Todd is not taking over the House. The honourable member for Albert Park.

Mr HAMILTON: He brought in more than $10 000 spending money because he had no idea of prices or what to expect. I was told by Mr Huiss that the population of the United States is more than 250 million people. He said that if one could encourage 1 per cent of that population to come to South Australia or to Australia that would create many jobs in this country and, specifically, in this State. I view with concern the correspondence I have received, and ask the Minister to bring down a detailed report on this question.

The SPEAKER: Order! I call the Chief Secretary.

The Hon. D.C. Wotton: That was some debate.

The SPEAKER: I think that remark was made by the honourable member for Murray.

The Hon. D.C. Wotton: What was it?

The SPEAKER: The remark 'That was some debate', I ask the honourable member to withdraw.

The Hon. D.C. Wotton: I withdraw it, Mr Speaker.

The Hon. G.F. KENEALLY: As Minister of Tourism in South Australia I am particularly concerned about any tourist leaving our State unhappy, because I believe that the power of the personal word of a tourist complimenting South Australia is one of the greatest means of attracting tourists to this State. I am distressed to hear of anyone who comes to South Australia and who has an unhappy experience. Although several complaints that Mr Huiss has made refer to treatment from Federal agencies, from a State Government point of view, we take those matters up with the Federal

agency. If the honourable member could give me the correspondence he has, we will follow that matter through.

From South Australia's point of view we are anxious to be visible in the United States of America, and I know from reports that I have received (and everyone would be aware of it) that at present Australians, Australiana, and Australia as a destination is much in the forefront of American thinking, as a result of the Australia II win in the America's Cup. There is enormous potential waiting to be tapped. The Federal Tourist Minister, Mr Brown, has increased the funding of Australia's promotion in the United States by over 100 per cent this year, so that he and the Federal Government are much aware of the potential that exists in the United States, especially on the west coast.

Our policy has been to tap into the Federal Government's promotion of Australia as a tourist destination so that we are able, once the tourist makes the decision to come to Australia, to encourage them to visit South Australia. We do not have the resources to mount a multi-million dollar campaign in the United States. In fact, we are concentrating our international promotion in New Zealand, and we are moving into South East Asia, particularly the Japanese market. We intend, within a short time, to upgrade our presence in Singapore.

We will be working through the Australian Tourist Commission in the United States in which we have a small budget for promoting South Australia in the United States. Recently, an officer from the Department spent three weeks in the United States visiting major areas promoting South Australia, and earlier this year we had a market place in South Australia with 50 United States and Canadian tourist operators visiting Adelaide to see what we have to offer, not only in our capital city but also in the State generally. We are anxious to promote South Australia not only in the United States but also in all markets available to us and, as the honourable member says, by doing so, we encourage investment in South Australia, jobs, and a betterment factor for the economy. I am sure that all members in this House would want that situation to exist.

STATE CHARGES

The Hon. E.R. GOLDSWORTHY: I wish to ask the Minister of Water Resources a question after that time wasting by the Government. Has the Government assessed the impact of the 24 per cent increase in electricity charges, as well as the 28 per cent increase in water charges, on irrigators and on employment generally in the Riverland? The Minister has suggested in recent days that the impact of this enormous 28 per cent increase is quite insignificant to irrigators: in fact, it only represents a small percentage of their costs. As has been put to us that this enormous increase, along with the increase in electricity tariffs of about 24 per cent in the past 10 months, has greatly compounded problems of the Riverland irrigators, as indeed it has for the community of South Australia.

The difficulties in the wine, can food and citrus industry are being exacerbated by the Government's back-door taxation. Latest figures show that unemployment in the Riverland has increased by 100 per cent during the past year, and the House well knows that the Government was strong in its election campaign on the fact that it would reduce unemployment. A recent report in the *Murray Pioneer* indicates (and the figures are from Mr Willis, the Labor Minister in Canberra) that unemployment had reached a record 1 762 in the Riverland compared to 870 at the same time last year, and that the majority of those, 75 per cent, are males. I ask the Minister therefore whether he has assessed the total impact of these Government charges.

I ask the Minister therefore whether he has assessed the total impact of these Government charges.

The SPEAKER: Before calling on the Minister, I point out that there is still some overcrowding in the gallery to my left. The school group in the gallery to my right and in the lower level has just vacated the area. I suggest that people spread out a bit. Likewise, people in the top gallery might like to spread out a little. There is room for about 30 people quite comfortably there.

The Hon. J.W. SLATER: The decision to increase irrigation and drainage rates was not taken lightly by the Government because it realises and sympathises with the problems that have been occurring in the Riverland.

An honourable member: Some sympathy!

The Hon. J.W. SLATER: They are not new; they have been around for some considerable time. One of the difficulties has been caused by what might be described as 'market forces'. An over-supply of produce grown in the Riverland, particularly grapes, has led to a fall in incomes in real terms. For instance, the minimum price of wine grapes has increased from about $100 a tonne in 1975 to $144 a tonne in 1983. If the 1970 price is indexed by the consumer price index, the 1983 minimum price should be $223 a tonne. The problem is caused by market forces which have resulted in the Riverland growers not getting a return for their produce that they so justly deserve. They are being held to ransom by proprietary wine companies. Have the growers made any protest to them?

An honourable member: Answer the question.

The Hon. J.W. SLATER: I will answer in my own way and in my own time. I want the opportunity to do so. One of the problems in the Riverland is the minimum price for grapes. I am as sympathetic to the problems in the Riverland as I am sympathetic to people who have lost their income through market forces in the car industry. It is sad that the situation in the Riverland has not been addressed previously. It has been pointed out by the Premier that the Government is prepared to take action to resolve the difficulties that exist. It must be realised, however, that the difficulties are related not only to water charges—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. SLATER: I know it is difficult because there are varying degrees of income. Those who are at the bottom of the scale are finding it extremely difficult to make ends meet; we know that. We must address the situation overall and not relate it only to water charges. We have a responsibility to all water users in South Australia, and not only to those in the Riverland. Almost every week a member of the Opposition comes to me and asks for capital works in their district in the form of extension of water and sewer services. If that extension of service is provided, someone will have to pay and that is the taxpayer generally. Market forces are causing the difficulties in the Riverland, and we are going to address that through the establishment of the Riverland Development Council, a top-level committee which will investigate all aspects of the problems in the Riverland, not necessarily only water charges.

The Hon. Michael Wilson: Have you assessed the effect of electricity charges?

The SPEAKER: Order!

The Hon. J.W. SLATER: Electricity charges are not within my Ministerial responsibility, but they create a further cost to the E. & W.S. Department which adds to its costs as a public instrumentality responsible for supplying services to the consumers. The point was made by the member for Chaffey about the ability of irrigators to pay. That creates a problem in itself because some irrigators in the Riverland

might not have the ability to pay and there are some who might be able to pay and we cannot strike a differential rate. I could use the member for Chaffey as an example. He has an additional income from being a member of this place and he has additional income (as we know because it was stated in this House before we had the pecuniary interest legislation) as a shareholder in a major South Australian company. What is his ability to pay? He is talking about the ability to pay.

Mr Ashenden: What about all the others?

The Hon. J.W. SLATER: If we are going to do this exercise, we might start with the member for Chaffey, who has a substantial property in that area. He would not address the question during the three years he was a Minister. He did not have the courage to take a hard decision. He did not have the courage to take action on the difficulties that existed in his Department at that time. He and his Government did nothing about that. All we have seen today—

Members interjecting:

The Hon. J.W. SLATER: —is the same political bastardry that the Liberal Party has been guilty of for years.

Members interjecting:

The SPEAKER: Order!

BLACK FOREST PRIMARY SCHOOL

Mr MAYES: Will the Minister of Education state what steps are planned to ease the car parking difficulties being encountered by parents and teachers at Black Forest Primary School? This is a matter of concern to teachers and parents in the Black Forest area. The position is caused primarily through the road configuration and the location of the school as well as the growth of the school.

The Hon. D.C. Brown: Why were you not there this morning?

Mr MAYES: The member for Davenport interjects in my question to the Minister. I would say that the member for Davenport ought to offer me the same courtesy that I would offer to any member of Parliament because he went out this morning without even offering me the courtesy of contact.

Members interjecting:

The SPEAKER: Order!

The Hon. MICHAEL WILSON: I rise on a point of order, Mr Speaker. My point of order relates to the conduct of the member for Unley. He is debating the question and thereby is contravening Standing Orders.

The SPEAKER: Order! The whole level of behaviour at various stages throughout this afternoon has left a lot to be desired. I ask all members to abide by Standing Orders. I uphold the point of order.

Mr MAYES: I apologise, Mr Speaker. I was drawn into that by the interjection of the member for Davenport. It has been brought to my attention by parents and teachers and the Chairperson of the Black Forest Primary School Safety Committee that there is grave concern about the current car parking facilities and the access which parents have to pick up and deliver their children at the school. I have received a letter from the Chairperson of the Black Forest Primary School Safety Committee (Mrs Bronwen Webb), which states:

> Please find enclosed a copy of a letter sent to Mr Lynn Arnold, M.P., Minister of Education, in regard to the urgent necessity for car parking in close vicinity to the Black Forest Primary School. The problem of congestion, Oban, Forest and Kertaweeta Avenues has gone on for many years and the problem can only get worse. The only long-term solution is off-street parking for parents.

Members interjecting:

Mr MAYES: I am desperately trying to keep to Standing Orders, despite the outrageous interjections from members opposite. I wish to make my point that the Black Forest Primary School Safety Committee wishes this Government and me, as the local member, to address this problem as quickly as possible. That is why I have raised the matter with the Minister of Education.

The Hon. LYNN ARNOLD: I thank the honourable member for raising the matter with me. It is indeed a very important issue. I have had the opportunity to visit the Black Forest Primary School on a number of occasions and I have always adhered to the courtesy of letting the member for Unley know (in this case, the present member, and previously when I was the shadow Minister of Education, the former member for Unley). I appreciate that the shadow Minister for everything, also known as the shadow Leader, sometimes falls short of those courtesies. However, the other point I want to make is that there are some important issues involved in this aspect of the redevelopment of the Black Forest Primary School. In fact, the issue is tied up with redevelopment of the school, an issue that has been overlooked for years. Indeed, it was overlooked by the previous Government in the entire three years of its time.

The SPEAKER: Order! I do not know whether the honourable member for Torrens is running some sort of informal bridge club or other Australian club, but he seems to be having a long conversation with various Government Ministers and his own colleagues. I hope that he will refrain from it. The honourable Minister of Education.

The Hon. LYNN ARNOLD: The matter of the redevelopment has gone on for some time, and the previous Government, including the then Minister of Public Works, seemed totally blind to the particular needs of the school. I do not know what the member for Davenport said out there this morning, but I hope that he at least did them the courtesy of telling the people why he and his Government did absolutely nothing for that school in their time. I hope that he went through the cutbacks that they instituted in the minor works and maintenance programmes under the Public Buildings Department. I hope that he had the courtesy to at least go through all that and take the opportunity to explain himself. The reality is that those who have read the Budget papers will find that the Black Forest Primary School will have some capital works money spent on it this year, particularly in relation to the toilets. However, the discussions that have gone on this year about the needs of that school—

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: —were between parents, the school council, representatives of that school, officers of my Department, and myself. We put a proposition to the school about a redevelopment that could have been done earlier than the present redevelopment planned for it. It would have involved the moving of a Demac building to that site and, had that taken place, indeed there would have been car parking facilities available immediately because of that relocation; it would mean the moving of the present library site at the southern end of the campus.

The school community was not prepared to accept that concept of redevelopment, and I accept its decision: I accept that it had very sound reasons for not wanting to accept that, but we wanted to discuss the issue with them. Instead, we put concept plans of a broader nature for the redevelopment of the school and certainly the car parking issues will be involved in those discussions. While the first stages of the concept discussions have been very preliminary, I intend that in 1984 the next stage of the concept discussions leading to discussions about the actual needs will be entered into by officers of my Department; that will include the car parking needs of the school.

In addition, the Director of Research and Planning within my Department has already held dscussions with the local council regarding the car parking needs of the school and the traffic problems surrounding it. I note that one aspect of the traffic problems raised in correspondence is being dealt with by my colleague the Minister of Transport, and it is certainly my intention to pursue or monitor the progress of the discussions that have been taking place between the Education Department and the local council. I commend the work of the member for Unley and his concern for the Black Forest Primary School. He has vigorously brought its needs to my attention ever since becoming the member for Unley, and I think that the school is being served particularly well by his exploration of its concerns.

PERSONAL EXPLANATION: TAX INCREASES

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

Leave granted.

Mr OLSEN: I claim to have been completely misrepresented by the Premier in his comments to the House in response to my first question. He alleged that I had agreed to tax increases without qualification across the board in South Australia. That patently is not the case.

Mr Mayes: He didn't say that.

Mr OLSEN: My word, he did say that and if the honourable member checks the record tomorrow morning, he will know that the Premier did say that. My statement on taxes was specifically clear on this point and related exclusively to the question of the recovery of costs related to the natural disasters, bushfires, and floods in this State. I said that no Government could budget for expenditure for bushfires and floods, that there was justification, and that, if the Government wanted to recoup those costs as a one-off tax base, the Opposition would support that move. However, I did not in that statement at that time give approval for the across-the-board tax slug that this Government has undertaken.

I did not give approval on behalf of the Liberal Party for taxes to be put on in perpetuity to increase the revenue base of this State year after year. Clearly, my comments related only to the cost of bushfires and not to such things as paying for the increase in the size of the Public Service, filling the gap for the $23 million over-expenditure by Ministers of the Bannon Labor Government, paying for election promises of the Bannon Labor Government, but merely looked at in what I believed was an appropriate, reasonable and credible approach to take by the Opposition related to natural disasters only. For the Premier to imply anything else is a continuation of the deception of this man and the way in which he is prepared to—

The SPEAKER: Order! I hope that the honourable gentleman will get on with the personal explanation.

Mr OLSEN: Indeed, I am pointing out that the Premier was prepared to use any—

The SPEAKER: Order! That is flying in the face of the Chair, and the honourable gentleman knows it. The honourable Leader of the Opposition.

Mr OLSEN: I think that I have made the point quite clearly that the Premier has misrepresented me.

The SPEAKER: That is the whole problem: the honourable gentleman has made the whole point very clearly twice, against the wishes of the Chair. Would the honourable gentleman please continue with his personal explanation.

Mr OLSEN: I want to establish beyond any doubt that the Premier has misrepresented me by referring to taxes across the board. My comments related to natural disasters in one context and one context only: that the support would be for a one-off tax base, not for taxes in perpetuity, and for the Premier to suggest otherwise is totally false. He knows that it is totally false to suggest otherwise because I have no doubt that he has a copy of a press release and a statement that I issued on that occasion that clearly, concisely, and unequivocally puts the point down.

The SPEAKER: Order! I want to make my ruling quite clear. When I said that the honourable gentleman had made the point only too clearly, I was not interfering. I was merely referring to that part of his remarks where he mentioned the alleged deception by the Premier. That is obviously a matter of argument and cannot be used in a personal explanation. Apart from that, I do not interfere. It is a matter between the two honourable gentlemen: they can slug it out.

Before calling on the business of the day, I want to thank the citizens of the Riverland who are still here and their spokespersons for the way in which they have honoured their agreement with me this afternoon.

At 3.18 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

RIVERLAND VISITORS

Mr LEWIS (Mallee): Mr Speaker, I want to endorse the remarks that you made in thanking the people of the Riverland under the same Standing Orders that enabled you to do that.

The SPEAKER: Order! Would the honourable gentleman repeat those last few remarks?

Mr LEWIS: Mr Speaker, under Standing Orders, the numbers of which I am unable to specify, I chose to endorse the remarks which you made in gratitude to the citizens of the Riverland for the behaviour they displayed during the course of their occupancy of the galleries of the Chamber this afternoon.

The Hon. E.R. GOLDSWORTHY: I rise on a point of order in relation to the member for Mallee. Standing Orders specifically preclude anyone in this House addressing the gallery. As I understand it, that includes you, Mr Speaker, with respect. The Standing Orders specifically require that members do not address the gallery.

The SPEAKER: I will rule on that matter tomorrow. I understand that there is an inference, certainly under Standing Order 172 and possibly Standing Order 81 quite to the contrary in the case of the Speaker. I will not rule against the hapless member for Mallee, when I myself might be a guilty party.

INTRASTATE CARRIERS

Mr LEWIS (Mallee): I move:

That this House urges the Government to amend the Motor Vehicles Act, 1951, sections 33, 41 and 142 as a matter of urgency to ensure fair competition between all intrastate carriers and thereby prevent any further abuses of the concessional registration of trucks belonging to interstate carriers who compete 'illegally' with local instrastate carriers.

I have had to use that terminology in the motion even though in the Act such terminology has resulted in the present circumstances in the law enabling people to commit offences without it being possible to prosecute them. Indeed, they are concessional registrations, although not reduced

registrations, so I suppose I am in an area of grey rather than one of white. In the motion the use of the word 'concessional' does not imply any reduction. It is the use of the word 'reduced' in the Act which in some part has brought about the problem that we now have in South Australia. All members would know that I gave notice of this motion back in September before the Estimates Committees were held, and reference to the Notice Paper will bear that out, as will reference to the proceedings of the House, although it will not be found in the *Hansard* record of debates.

I want to draw to the attention of the House the odd phenomenon which has arisen as a direct consequence of my giving notice of this motion: Bill 41 on file is for an Act to amend the Motor Vehicles Act, 1959. I do not wish to debate that amendment, but it is coincidental that it is identical to the subject matter of my motion with the single exception, however, that no amendment is proposed to section 142. In consequence, again we will find that the Government will have egg on its face, even though it will have complied with the thrust of the proposition contained in my motion to amend sections 33 and 41. For the life of me, I cannot imagine why the Government has ignored the necessity to clarify the ambiguities contained in section 142, paragraph *(b)* of which contains some gobbledegook, as follows:

(b) proof that a person is registered as the owner of a motor vehicle . . . that that person is the owner of that motor vehicle;

A press statement emanating yesterday from the Commissioner of Consumer Affairs indicated that the Commissioner of Highways had distinguished himself with the dubious honour of being capable of the worst gobbledegook. I would suggest that this Act as it now stands would go some distance towards taking that prize from him. The amendments to the Act may have emanated from his Department: I would not want to allege that that was so, but it just might turn out to be the case. I have no idea from where the Minister obtained his advice in drawing up Bill No. 41. However, the section to which I referred is a prize piece of gobbledegook, together with other sections in that Act which were amended in 1976 during the term of the previous Labor Government. That is where those anomalies have their origins. How unfortunate for the Government that it now finds itself having to sort out a mess which was created by its own oversight and haste when amending the Act previously.

I will not take up the time of the House on this occasion to detail the ineptitude of the Minister of the day when those amendments were made prior to my entering this place, but I shall do that in the very near future when the opportunity for me to do so arises during the second reading debate. I refer specifically to two other sections which I believe need amendment, as specified in my motion. The motion has prompted the Minister to bring in this measure, for which I congratulate him. It was a very prompt response indeed and nearly makes the motion unnecessary. However, it is regrettable that the amending Bill does not address section 142 of the Act. Amendment of sections 33 and 41 simply of the type that I have in mind would ensure that there is some penalty for the offence of using a motor vehicle contrary to the undertaking given when an application is made for concessional registration. I point out again that it should be known as 'concessional' and not 'reduced'.

It means that those people who enjoy, after making such a declaration, the right to be interstate hauliers after paying a simple fee of $5 would not be allowed to engage in direct competition with those genuine carriers who operate within the State's borders, and do so in unfair competition because their charges are much lower. The intrastate hauliers, of course, pay a very much higher registration fee. The thrust of my motion is to bring vehicles registered solely for interstate trade back within the ambit of the penalty section of the Act.

It is regrettable that it was sophistry in the interpretation of the original Act which produced the loophole by which it was possible to commit an offence and compete unlawfully with intrastate carriers while using vehicles with interstate registration. Nonetheless, that was a sophistry which the Minister of the day should have recognised, but he did not do so. The penalties will now enable us to sanction that section of the Act which prescribes offences, where they are committed and what the penalty shall be. I will not engage in discussion about the level of those penalties, because my motion does not canvass that matter. I do not suggest that they are necessarily right or wrong at their present level. The thrust of this motion is merely to ensure that the Government understands that the present Act is not adequate to meet the existing practice and prevent abuses and offences being committed without any penalty applicable in those circumstances. It enables the House to understand the necessity to amend not only sections 33 and 41 but also section 142.

It will be in the best interests of expediency if I do not take the time of the House (even though I am tempted, for the benefit of the readers of the record at a later date) to read those sections of the Act into my speech. However, I am sure that people will recognise that they can consult the existing Act to obtain such information if and when they need it and, in so doing, understand that the Government is really supporting the thrust of my motion by its action. I commend the Minister for so doing but regret that he has not gone far enough and has not sorted out the mess that exists regarding section 142.

The Hon. G.J. CRAFTER secured the adjournment of the debate.

TRAFFIC INFRINGEMENT NOTICE FEES

Mr GUNN (Eyre): I move:

That the regulations under the Police Offences Act, 1953, relating to traffic infringement notice fees, made on 25 August 1983 and laid on the table of this House on 30 August 1983, be disallowed.

On 21 January 1983, the Police Department received a request from the Chief Secretary to review traffic infringement notice expiation fees in light of the movement in the consumer price index over the previous 12 months. The scale of fees was analysed by the Department and an increase recommended. Proposed increases vary from 14.3 per cent to 25 per cent with an average of approximately 20 per cent. The proposal was placed before Cabinet on 27 June 1983 and formally approved on the grounds that:

most expiation fees in New South Wales were increased by $20 on 7 February 1983;

the current expiation fees are in most instances less than court fines and costs for the same offence; and

the inflation rate in South Australia during the 1982 calendar year was 10.33 per cent. A similar increase is quite probable for the year ending December 1983, making an approximate increase of 20 per cent over the past two years.

Discussions have since taken place between the Deputy Under Treasurer and the Police Department, and it is suggested that the new fees could operate from 1 September 1983.

In view of the comments that the now Chief Secretary and, to a lesser extent, the Premier, made at the time of and during the phasing in of these regulations, it is absolutely amazing that the Chief Secretary could request the Commissioner of Police to recommend to him (and, therefore, to Cabinet) that an increase of this nature be inflicted on the people of South Australia. We had the amazing scenes in this House with the current Chief Secretary standing up and naming police officers and accusing them of acting in a petty and bureaucratic fashion. He has been highly critical of these fees and accused the Tonkin Government of using the matter purely as a method of back-door taxation. He accused the police of being used as tax collectors and went on to accuse the Government of using petrol resellers as back-door tax collectors. In the *Sunday Mail* on 9 October 1983 an article headed 'Monthly on-spot fines top $10 000' stated:

More than 10 000 on-the-spot fines are issued to South Australians each month, and 8 500 are paid without a murmur. Revenue received from fines has exceeded the Government's anticipated total by $900 000. The Chairman of the Traffic Infringement Notices Steering Committee, Chief Superintendent J. P. Beck, said that the high percentage of offenders paying out the fine showed they approved of the system.

However, an R.A.A. spokesman said it was more a matter of accepting the fact that an offence was committed rather than an approval. 'The figures show a majority of the people admitted to the offence and paid the fine,' the spokesman said. 'If you are guilty, there's no point going to court to challenge it.'

The spokesman said the R.A.A. received about 35 complaints a month concerning traffic infringement notices and in most cases told the offender to pay the fine. 'The R.A.A. believes the on-the-spot system is a fair one because it still protects the offender's right to challenge the fine in court,' he said. More than 130 000 traffic infringement notices were issued to South Australians last financial year, netting the State Government $4.9 million. The Government predicted $4 million income in a full year when on-the-spot fines were introduced.

The figures are for the 1982-83 financial year, the first since the traffic infringement notices were introduced on 1 January 1982. Chief Superintendent J. P. Beck said there was an overall 20 per cent increase on the number of offences under the old system. He attributed the increase to more road traffic and the amount of time police can now spend patrolling since the streamlining of the old system.

Traffic infringement notices which cover more than 180 offences under the Road Traffic Act and Motor Vehicles Act were introduced by the former Government to help clear the court of minor charges.

The number of offences with which a person can be charged under these regulations varies considerably. It is my considered opinion, having examined this matter closely, that unfortunately in some cases people are given expiation notices when in the past they would have been given a stern warning. I am not opposed to the system but I am opposed to the increase in fees because, when people are apprehended for minor offences, I do not believe it is necessary on such occasions to inflict unnecessary hardship upon them. When a person is going out with his family for a pleasant Sunday afternoon drive and commits one of these minor breaches, landing him with an on-the-spot fine of up to $80, is not a course of action which ought to be supported, let alone penalties being increased.

Perusing the regulations earlier, I noted some of the more interesting offences for which the penalties have been increased. One offence relates to the carrying of another person on a pedal cycle, except upon a safe, secure seat, and stipulates a penalty of $25.

Mr Lewis: That's donkeying. I would never have got to school if I couldn't do that.

Mr Trainer: I didn't think you did.

Mr GUNN: That is not nice: it is a most uncharitable comment.

The DEPUTY SPEAKER: Order! All interjections are not nice.

Mr GUNN: It is an offence to fail to drive a vehicle on a sealed surface. I do not understand that regulation because half my constituents would be committing offences.

Mr Lewis: Most of mine.

Mr GUNN: Yes. I am sorry that I do not have the time to give my own explanation on all the offences, as some are quite interesting. Another offence is to unlawfully fit bells or sirens. I do not know what sort of bells one fits on a motor car.

Mr Lewis: It's a push bike.

Mr GUNN: No, it is not a push bike. There is another one about unlawfully leading animals. I have yet to have that offence explained to me, having had some experience of leading animals.

Mr Trainer: So has the Leader of the Opposition.

Mr GUNN: As usual, the Government Whip is an expert on sarcasm, but fails in making original constructive comments. If that is all his training did for him to become a schoolteacher, I feel sorry for the people he attempted to teach. It does reflect greatly on someone who had an opportunity to have a good education: some of us were not in that position. In conclusion, I want to say I—

Mr Lewis: You've got three minutes left to go.

The DEPUTY SPEAKER: Order! The honourable member for Mallee cannot carry on a personal conversation.

Mr GUNN: I believe that in view of the stance by the now Chief Secretary, the Premier, and other members at the time this legislation was introduced into Parliament, there can be no reason why these expiation fees should be increased. Either they were not sincere at that time, or they were playing politics. In my judgment the scheme has operated reasonably well, with those exceptions, but the fees should not be increased. In some cases people are getting notices when they should receive warnings, and the member for Albert Park had much to say about this.

Mr Hamilton: Quite successfully too.

Mr GUNN: I sincerely hope that he will support me in the House in my endeavours to see that these fees do not become purely a source of revenue to the Government. I look forward to his support and, therefore, commend the motion to the House.

The Hon. G.J. CRAFTER secured the adjournment of the debate.

PREMIER'S DEPARTMENT DE-REGULATION UNIT

Mr GUNN (Eyre): I move:

That the Premier immediately re-establish the De-Regulation Unit in the Premier's Department and that the Unit immediately examine all Acts of Parliament, Regulations, permits and licences with a view to reducing unnecessary Acts, Regulations, and controls and rationalising legislation.

If there is one area where the Government can quickly and effectively reduce costs, speed up permits, and greatly assist industry (particularly developers and those in the mining industry) it is to get rid of red tape and unnecessary controls. At the time of the Budget debate we were given yellow books with a list of 441 Acts of Parliament administered by the Ministry. I seek leave to have incorporated in *Hansard* without my reading it a schedule detailing the number of Acts at the time of the Estimate Committees deliberations.

Leave granted.

Numbers of Acts under each Minister's portfolio:

Minister of Agriculture	57
Minister of Forests	3
Minister of Fisheries	2
Minister of Water Resources	22
Minister of Recreation and Sport	3
Minister of Mines and Energy	25
Minister for Environment and Planning	18
Minister of Lands	—
Minister of Repatriation	21
Minister of Education	11
Minister of Community Welfare	4
Minister of Aboriginal Affairs	—
Minister of Labour	20
Minister of Public Works	2
Attorney-General	59
Minister of Corporate Affairs	18
Minister of Consumer Affairs and Ethnic Affairs	35
Minister of Health	36
Minister of Local Government	35
Premier	7
Treasurer	31
Minister of State Development	3
Minister of the Arts	8
Chief Secretary	21
Minister of Tourism	Nil
	441

Mr GUNN: As a matter of interest, the Minister of Community Welfare has only four Acts under his portfolio, the Minister of Agriculture 57, and the Attorney-General has 59, which is, I think, the largest number. Since these figures were collated the Minister of Health (and this is one of the few good things he has done) brought in a Bill to abolish five Acts of Parliament, meaning that we now have a list of 441 less five. As well as the particular Acts of Parliament with which we are dealing, there are over 2 000 regulations operating in South Australia. We have about 260 statutory authorities, which have run up debts in excess of $1 000 million. Our annual interest payments are more than $100 million, which is three times the amount the Government will raise by the tax increase the Premier announced before the Budget. For every dollar the tax levies almost 20 per cent goes towards interest on massive debts owed by those statutory authorities.

In my judgment, the statutory authorities urgently require a review by a Parliamentary committee. As well as having a De-Regulation Unit, the Government should set up (and follow the lead, which was not completed by the Tonkin Government) a statutory review committee to review all these statutory authorities and to examine which should be abolished and which should be amalgamated. The Pest Plants Authority and the Vertebrate Pests Authority should be amalgamated immediately, as a matter of urgency. Many statutory authorities, such as the Electricity Trust, play a most useful role, but I believe that they should all come under the scrutiny of Parliament, because members of Parliament are elected not only as representatives but also to examine legislation on the Statute Books. That is an absolutely essential course of action for which Parliamentarians should be encouraged.

The Tonkin Government set up a De-Regulation Unit, which produced a 'plan of action to rationalise South Australia's legislation'. That report referred to existing legislation that the Government should closely consider. It advertised, and received responses from people interested in and affected by this subject. Previously, I have brought to the House's attention the case of a constituent of mine who needed more than 20 licences to operate a business and of the small shopkeepers at Iron Knob and Oodnadatta, one of whom needed 20 licences and another 21 licences or permits. In the course of the committee's deliberations, it came to the following conclusions when discussing the situation in Canada:

The Australian scene mirrors that in Canada. Canada, like other western industrialised nations, has become a regulated society. In the morning the clock radio awakens us with the sound of music subject to Canadian content regulations. The price, at the farm gate, of the eggs we eat for breakfast has been set by a government marketing board. We drive to work on tyres that must meet federal minimum safety standards, and in a car whose exhaust is subject to pollution emission regulations. At lunch, the restaurant in which we eat has been subject to the scrutiny of public health inspectors. The monthly rate for the telephone we use at the office is set by a federal or provincial regulatory agency. Shopping in the supermarket on the way home, we note the unpronounceable names of certain chemical preservatives that, by government regulation, are disclosed to us on a finely printed label. As we turn down the thermostat before retiring, we are confident that a government agency has protected our purse by setting the price we will be charged by the local monopoly supplier of natural gas. Putting on our sleepwear, we are secure in our knowledge that it is not impregnated with a hazardous substance like Tris. If we live in certain cities, we approach our rest reassured that the smoke detector we were required to install will stand on guard throughout the night. In the words of Samuel Pepys, 'And so to bed' . . .

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

WAGE COSTS

Mr OSWALD (Morphett): I move:

That this House supports the Federal Minister for Industry and Commerce, Senator Button, in his efforts to initiate a review of the add-on costs to the employment of labour; and further, calls on the Federal Government to implement a policy whereby there can be a scaling down of all add-on wage costs which in the long term will reduce the unit cost of labour thereby increasing the competitiveness of Australian industries and improving job prospects.

I must say that I am concerned with the shortness of time to be allocated to this debate when it is weighed up against the gravity and magnitude of what we are asking the Federal Government to do. I will be seeking leave to continue my remarks but, in the short time that I have available, I point out that the key points in that motion are first, support for the Federal Minister in his efforts to initiate a review of the add-on costs to the employment of labour.

I emphasise the support that he obviously and desperately needs: he is not receiving that support from his colleagues or from the Australian trade labour movement. The second point is the implementation of a policy that will scale down all add-on wage costs to bring about a reduction in the unit cost of labour. If this was vitally needed in this country it is needed today: not 10 years ago when there was a different set of circumstances prevailing and these costs were accumulated, but today when costs have reached that point of crippling the economic balance of running many businesses in the State. The third point I make in the motion is the restoring of competitiveness to Australian industry, which is a natural flow on to the text of the first two terms of the motion.

On 25 October in the *Australian,* I first saw the headline 'Button warns of penalties and loadings', and it was a courageous move on the part of a Federal Minister who owes his place in the Federal Cabinet to the trade union movement. In that press release he announced that he believed that there should be a review of all add-on costs associated with the unit cost of labour; costs such as penalty rates, holiday loadings, and workers compensation. I will be enumerating many other items that are added on to the cost of employing a worker. In that press release the Minister highlighted a couple of matters that I believe should be considered by the Parliament. I quote:

The Minister for Industry and Commerce, Senator Button, said yesterday these costs were a heavy and significant burden on industry, and government talks with unions and employers would be necessary if industry was to recover. Senator Button said all

issues relating to add-on costs, which represented about 45 per cent of total labor costs, would be 'up for grabs in those discussions'.

He then went on to say:

We have to recognise they are heavy imposts on Australian industry compared with (those of) our competitors.

A vital observation on the part of a senior Minister. Later that same press release stated:

Senator Button said unions as well as government and employers needed to abandon their entrenched attitudes towards changes in such areas 'if we're to progress in the future'.

I believe that employers have acknowledged that need for change, but the difficulty is to make sure that that consensus can spread across the whole of the industrial scene, not just in the employers camp, but amongst the employees as well.

As I said initially, I believe that it is a realistic assessment of a situation. It was tragic for the future competitiveness of Australian industry, when Senator Button's counterpart here in the South Australian Parliament, a senior man in the Labor movement, the Deputy Premier of South Australia, jumped on Senator Button from a great height, and attempted to silence him, and if ever we needed—

The Hon. B.C. Eastick: It would be a battle, weight wise.

Mr OSWALD: Yes, one can imagine the cartoonists. Nevertheless if ever we needed a review into the overall structure of labour costs, it is now. If ever it should come in on a united front, combining the employers and the employees, it is now. It was exactly the treatment handed out to the Tourism Minister, Mr Brown, sometime back when he suggested that penalty rates were strangling the hospitality and tourism industry: immediately the trade union movement once again leapt on that Minister from a great height and muzzled him.

In the *Sunday Mail* of 30 October, the United Trades and Labour Council position was made clear by its Secretary, Mr John Lesses. It is certainly the closest and most beligerent hands off message that I have ever seen delivered to the country at large, and an attack on an individual, in this case a senior A.L.P. Minister in Canberra, and against anyone seeking to rationalise add-on costs of labour. It is even more interesting when one considers the warning came publicly from probably one of the most senior members of the Federal Labor Cabinet, and certainly a man close to the Prime Minister. That article in the *Sunday Mail* of 30 October headlined 'Don't tamper', states:

The trade union movement sees no reason for giving up any of the add-on costs.

It points out all awards are negotiated and improved conditions have to be won by argument.

United Trades and Labor Council South Australia secretary Mr John Lesses also has a few harsh views on people like Senator Button.

'The UTLA is emphatically opposed to any tampering with existing penalty rates and shift allowances', he said.

'We would take vigorous action against any employer seeking to mount a case to challenge existing standards.'

If that is not a fairly straight-out stating of a position that the trade union movement is not prepared to negotiate, then I do not know what is. Frankly, I am afraid that Mr Lesses must believe that he is living in fairyland or Utopia if he thinks that he can retain this attitude while at the same time hoping for a return to the days of full employment.

Mr Lewis: He's not in fairyland, the fairies would kick him out.

Mr OSWALD: I am sure they would, mainly because of the most unrealistic approach to a deep problem that is affecting the economy of the country at present. We are not living in economic times now where employers who own small businesses can be accused of withholding excessive profits from their workers for their own financial gain. Employers in this State, and let us be clear about it, will pass the point of no return in carrying debts and overheads in their businesses, and when this point is reached they have no option but to either scale down their enterprise or shut their doors, and either way the workers lose their jobs.

It might seem quite satisfactory to men such as Mr Lesses, who has a secure position in the trade union movement, and the Deputy Premier, who has a secure position in the Parliamentary system to be so principled in their ideas to stand up in the community and say, 'We will not let the benefits be eroded that have been gained over many, many years.' However, I put to them that they are not in the same position as thousands of other workers in this State whose jobs are on the line day after day because their employers' costs, because of this add-on cost of labour, is passing that point of no return. They are receiving notices from their bosses saying, 'Sorry, you have done a tremendous job for us over the past 10 to 20 years, but it is no longer economically viable to keep you on the staff'. When I next speak on this subject, I will be referring to the actual costs and the effect they are having on the total hourly cost of an employer to keep a man on the job. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ASSETS TESTS

Mr OSWALD (Morphett): I move:

That this House notes with concern the result of a recent Gallup Poll which showed a majority of Australians opposed the introduction of the Federal Government's proposed assets tests for pensioners; condemns that Government for persisting with a policy which contains serious inequities and anomalies and for which it has no mandate; and further, calls on that Government not to proceed with the proposed assets tests.

The *Advertiser* on 25 October published the result of a recent Gallup Poll, which highlighted the fact that 57 per cent of Australians disapproved of the Federal Government's assets tests for pensioners, and only 39 per cent approved of those tests. I believe that all honourable members would agree that that is a fairly decisive result, and it reflects the great concern in the Australian community about the direction the Federal Government is taking on assets tests for pensioners: hence the wording of this motion.

The poll contained two questions the first of which was: do you approve or disapprove of the Federal Budget's assets tests for pensioners, whereby account is taken of a pensioner's income and assets before the pension is paid? The results were that 57 per cent disapproved and 39 per cent approved. The breakdown by age is interesting. The over-40 group maintained about the same percentage with 58 per cent disapproving and 38 per cent approving, but the under-40 group (the age group which at present is starting to plan for retirement) had a percentage as high as 57 per cent disapproving and 40 per cent approving. I believe that they are significant figures, and illustrate the concern of the Australian community at the retirement policies of our new socialist Government in Canberra.

The second question that was asked in that poll was: do you believe that elderly and handicapped people are generally well cared for by the Federal Government, or not so well cared for? The results were as follows: 60 per cent replied that they were not so well cared for and only 32 per cent believed that they were well cared for by the Federal Government. Not only are pensioners angry at being singled out, but I can assure the House that that anger has also spread to potential pensioners, those who have the task in front of them over the next few years of arranging their affairs to provide for their retirement.

Most thinking members of the House realise that some controls are required on welfare payments, and I do not think that would be an understatement. I believe that it is desirable and essential that reviews take place across the

country to ensure that we do have some control over welfare payments. However, those who have scrimped, scraped, and saved all their lives so that they can live relatively independently in retirement have now found that they are being penalised by the Federal Government's effort to cut its deficit and to reduce its outlays. That is what is starting to evolve in the community. It is clear to pensioners that those who have worked diligently and made sacrifices throughout their working lives, so that their retirement could be comfortable and without financial worries, are now to suffer, compared to those who have made no effort at all during the years to put something away for their retirement years.

I can recall the former Prime Minister, Malcolm Fraser commenting on A.L.P. social security doctrine some time before the past election. He warned pensioners that their savings would not be safe under a socialist Labor Government. I think that he used the expression that if Hawke came to power their pensions would be safer under the bed. On reflection, I ask members how close he was to the mark when we see what the Hawke Government has done, with no mandate, to the pensioners of this country in their planning for retirement.

One of the most objectionable parts of the whole exercise is the retrospectivity contained in the legislation, whereby those pensioners who invested money for retirement in past years in complete honesty and in accord with the Acts and regulations that were operating at the time, now find that they have to rearrange their affairs (which is not an easy task late in life) in order to provide income and to hedge against inflation in the future. Obviously, pensioners with money invested stand to lose capital, because many investments only gain in value towards the end of the life of that investment.

To force pensioners now to withdraw capital they invested earlier and rearrange their affairs at this stage in their lives will mean that they will lose capital that is invested. Not only pensioners, I suggest, want to disperse to conform with the assets test. Many pensioners will rearrange their affairs in different ways, but not every pensioner wants to put his money into a car, a caravan, a boat, major works of art, expensive jewellery, and a holiday house. Some people can afford those things: if one has massive assets one can do that. However, not everyone wants to do that and, if they do not want to have any of those items, they are treated differently by the Federal Government, and that is wrong. The Prime Minister had no mandate to treat pensioners in such a disgraceful manner.

I have received many letters on this subject canvassing the concerns of pensioners. I have a selection of about a dozen I should like to put to the House (not the whole letters, but certainly key points in them), but time will not permit me to do so now. I know that they will be of immense interest to the House, because they highlight the concern of pensioners at the Federal Government's attitude to the whole question of assets tests, and they highlight the need for this House to urge the Federal Government to review the whole question of retirement policies. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMPULSORY UNIONISM

Adjourned debate on motion of Hon. E.R. Goldsworthy:

That this House condemns the Government for its policy of compulsory unionism under the guise of preference to unionists and requires the Government to withdraw all instructions designed to give effect to their compulsory unionism policy.

(Continued from 19 October. Page 1187.)

Mr EVANS (Fisher): I support the motion of my Deputy Leader. It is true, as the member for Unley indicated in his speech some days ago, that this matter has been raised many times by the Opposition and has been attempted to be justified many times by those of the socialist or A.L.P. philosophy. It is also true that many people in the community like as much freedom as they can possibly enjoy. Likewise, it is true that, since this Government came into power, it has again issued an instruction to the heads of its departments to seek out by name those people who are not members of a union and to tell the heads of the departments that they must give preference to unionists.

What does 'preference to unionists' mean? If one reads the member for Unley's comments, one will see that he quite openly admits that, if people do not belong to a union when they apply for a job in the Public Service (and he supports this principle strongly), they should be asked to join. It is clearly indicated that, if they will not join, someone who is prepared to join or who is already a member of the union will be given a job. At a time when jobs are hard to get and many people are unemployed, is not that a form of compulsion? If one compares the person who has a family to the person who belongs to a union (or is prepared to join a union) but who does not have a family, or to the person who does not wish to be bound by any rules in joining an organisation (he may come from another land where they are fearful of such regimentation and have experienced it or may be a descendant of someone from another land who has told them of regimentation and threats from a higher body), which one would get the preference for a job? Which is the bigger debt on the public purse if unemployed, if we look at it in cold economic terms?

However, looked at in terms of the humane approach to helping people be able to manage their affairs, who should be given that opportunity? The member for Unley said that joining a union is a democratic process. In the main, that is true. I do not have any argument with that: joining a union is a democratic process and, in the main, once one joins the union, in most cases (I emphasise 'most cases', not all), it is a democratic process because there are some occasions when people are virtually blackmailed into taking the direction that the union bosses want them to take. However, it is not true that joining a union is always a democratic process or that someone will hold a gun at one's head and say, 'If you don't join, you won't get a job.' I am saying that getting a job in this country in the Public Service is not a democratic process. I do not believe that the member for Unley can argue against that. He may argue that joining a union is a democratic process, but getting a job is not a democratic process because one is not given the opportunity to get a job in the Public Service unless one meets the criterion of being forced to join a union if one does not believe that a union is of any benefit in the long term.

I know that the age old argument of members of the A.L.P. socialist Party over the years (some gone, some still here) is that unions have fought for all the benefits for the workers. That is true in the main, but in many cases the benefits have gone further than what the country can afford. In that way, they have actually created the situation of putting some of their members and non-members out of the market for a job. In essence, they have priced their own members out of the workforce. They have exported the jobs. They have made it impossible in many cases for people to employ their members.

However, there is one way of guaranteeing that members will get a job: if one is in Government, one can make it so that no-one but one's members gets a job (particularly if one happens to be in a Party that is supported financially by the union movement in the main), if one belongs to the Labor Party and forces the Public Service to accept only

unionists. Naturally, one is doing a favour for one's union members then, saying to them, 'We will guarantee that all the jobs in the Public Service have to go to people who belong to a union or who are prepared to join a union upon receiving the appointment.'

Mr Acting Speaker, I do not believe that even you can argue against that in all fairness. However, that is the position we are in and, I suppose that if I were a strong unionist, I would be prepared to argue and accept that if I could force all the non-unionists out of the Public Service and have all my mates there (all the ones that belong to my club), I would feel pretty happy with myself if I thought more of the union than I did of human beings, and that is what is happening. More consideration is given to the union movement than to individuals. Some people in this society pay their money to a nominated charity in some circumstances, but it is still an obligation upon them for something which they may not want to do. There are some people in this society who do not wish to join anything because they fear that, if something goes wrong in the structure of the country in the future, they might be traced back to belonging to an organisation. It is hard for those who have never lived in the sort of environment from which these people have come to understand that. I have worked in my earlier working days with many displaced persons from other lands who told me the things that their families suffered because they belonged to political or similar bodies, which the union movement really is in the main in this country, and those people have an inbuilt fear.

Why should we say to them, 'You cannot be employed by the Government instrumentalities or departments unless you join a union from which the Government gets financial support at the time'? I think that that is improper. I think that any person opposite who demands individuals to disclose their financial interest or support is a hypocrite in my view if he takes that approach. If people thought it through, I am sure that they would understand that that is the case. The member for Unley at one stage read part of a speech which was enunciated by the Deputy Premier, as Minister of Labour and Industry, on 10 November 1976 in this place. At page 1187 of *Hansard* on 19 October this year, the member for Unley quoted the Deputy Premier's statement, as follows:

> Our policy is preference for unionists in engaging people for employment. In the present economic situation . . . there are so many good, dedicated unionists out of a job, men and women with no blemishes on their character, with undoubted qualifications, that this policy would in all cases ensure that the vacancies will go to union men and women. We are prepared to include those who are willing to join the appropriate union, even if they are not unionists at the time of engagement. Even this can be seen as a concession. Whatever we do, a large number of unionists . . . will remain out of work.

There is absolutely no consideration for the person who did not wish to join a union: no feeling or humanity towards that person: he is totally thrown aside, as though he is dirt within the society.

The Deputy Premier made that statement here, thinking that it had some merit. The member for Unley supported it. Surely honourable members do not support the concept that there is a section of our society that should be considered unworthy of employment. It was maintained that there are many good, dedicated unionists out of jobs, men and women without blemish on their character. However, there are also many men and women who are not unionists who have unblemished characters, and who are dedicated and keen to work, wanting to make a contribution to the country. No consideration is given to them. If people really sat down and thought the matter through they would not support the concept that one should force people to join an organisation. This applies throughout society.

One cannot say that, because a primary producer, say, may get some so-called benefits from the executive of the Wheatgrowers Association or the Poultry Breeders Association or some other group by negotiation, all egg producers or primary producers should join such a body. If we really believe that, it could be taken a step further by saying that anyone who lives in Australia should become an Australian citizen because all the things that people work and battle for are to the benefit of people living here, whether naturalised or not. No-one in the A.L.P. ever says that that should be the case, and yet there are people who come to Australia and never get naturalised because they know that if they ever want to they can go back to their homeland and obtain perhaps a good pension benefit whilst still obtaining a benefit from this country. If the A.L.P. believes that people should be forced to join unions if they want to get a job in the Public Service (which is what 'preference to unionists' means), they should be arguing that point also, because people who are living in this great country of ours should have the same comment made to them by the A.L.P., if that is its philosophy. That is not my philosophy, but members of the A.L.P. should stand up and be counted and admit that that is following it through to its logical conclusion.

I know that this is a difficult matter for the A.L.P. to handle. I know that many of its members have come through the trade union ranks. I know that many have ended up in key positions in the trade union movement. Over the years I have had some of these as personal friends and some advised me as a boy what I should or should not do at work. One ended up being the Premier of the State. I know the benefit that they get compared to that of their fellow workers, the sort of remuneration and car benefits they receive. Their fellow workers do not get anywhere near what they obtain. In many cases the hierarchy of a union receives a greater reward, a greater opportunity for obtaining a reward, than do some of those whom they represent. That is not the case in every union, but in many of them that is so. I suppose that one could argue that the president, secretary, or organiser of a union puts in more hours in a week than do those working a normal 40-hour week, but having regard to the old brotherhood idea of the union movement, working to help those being exploited by bosses (which is the reason why unions began), there is no doubt that that was more the case 100 years or more ago. Unions must be given credit for correcting many areas where there was exploitation of workers.

However, the situation has gone the other way now, where some of the union bosses are exploiting their fellow man, in asking them to go on strike and to put at risk people who use the services they provide. In regard to the Public Service, where everyone belongs to a union, people are virtually pushed into a situation by the union leaders of having to go on strike, whether they want to or not. Individuals are locked into this situation because they have been forced to join a union. I support the motion very strongly. I would not oppose a Government's choosing at any time to use a limited amount of advertising to point out the benefits of belonging to an organisation, whether it be a union, a primary producers organisation, say, or the Chamber of Manufactures. I am not opposed to people being encouraged to join organisations such as local community bodies which service the community. Encouragement is different from saying that, unless one is a member of a union, one is unlikely to get a job, which places a person who has a family and who may be paying off a mortgage in a difficult position. That is not preference, but compulsion. I support the Deputy Leader's motion.

Mr GREGORY (Florey): I have listened to and read with great interest the remarks of members opposite in respect to this motion. I am opposed to it on a number of grounds. Let me state very clearly why I believe that working people ought to belong to an appropriate trade union. This was brought home to me as a very young person when I first started work in the railways. I came from the country and lived with my grandparents. I used to give my pay packet to my grandmother, who would give me some money from it and keep the rest. After a month or two one evening at the dinner table my grandfather asked me which union I was in. I replied that I had not joined one. I had not been aware that there were unions at the railway workshop. He told me that I ought to join one because I was now working. My grandmother did not say that I had to join a union, so I thought that was the end of the matter. On the next pay day grandfather asked me whether I had joined a union and when I replied that I had not he said that I had better be in the union by the time I got my next pay because he did not intend having a non-unionist in the house. It was the first time I had ever seen him and grandmother arguing.

He made it very clear that he had been a working member of a union all his life and that he was not going to have a non-unionist living in his home, even if it meant that his grandson would have to live somewhere else. The next day I made some inquiries about unions at work. Having come from the country, where the concept of unions was rarely mentioned, I did not know anything about them. At work there was an attitude amongst the tradesmen that apprentices did not have to join a union but that, if they wanted to, they could. Taking my grandfather's advice I joined the Amalgamated Engineers Union. I was one of the few people commencing an apprenticeship with the railways who joined a union. The shilling a week that the union cost me was one of the best investments I ever made. Once when I was injured and I sought the advice of a shop steward, and from then onwards I received the protection of the trade union. Other lads who were there at the time and who were not members of the union seemed to be in all the strife in the world. I have always had someone to go to. I always worked with members of the Amalgamated Engineers Union and those blokes have looked after me very well because they knew that I was one of them.

They exhibit an attitude to non-unionists which is a bit akin to the attitude about bludgers. We hear from members opposite that people ought to have responsibility in the community and that they ought to pay their way, except when it comes to providing services when they should be given for nothing, that workers ought to suffer reduction in wages so that employers can keep on making profits. We heard a member opposite this afternoon talk about how people ought to suffer a reduction in their living standard so that employers can continue to make a profit. It concerns unionists that they contribute to the funds of the union. It is not a great amount. In the case of the Amalgamated Engineering Union, if one is a tradesman, it is only $100 per year, but that $100 contributes towards the operation of the trade union, the cost of arguing cases in the Arbitration Commission for wage increases, and towards the cost of providing services for members injured at work as well as any other assistance they may need. It meets the costs of organisers going to factories and providing assistance and guidance to workers who are in disputation with their employer.

Mr Meier: Does any of it go to the Labor Party?

Mr GREGORY: If the honourable member had been here a week or so ago he may have found out where it went. If he reads the debate he will understand it. If he has eyes and ears, and if he can read, he can find out exactly where the money goes. Unlike the companies that support his crowd, the trade unions are required to disclose very clearly to their members how their moneys are spent. I can assure the honourable member I know more about it than he does.

If people are not paying, they should not get the benefits. One of the problems we have with our Arbitration Commission and the Industrial Conciliation and Arbitration Act on a Commonwealth and State basis is that the person who does not pay his or her way gets the benefits, even though not a member. That is what the argument is about. Our friend opposite from Fisher was suggesting that preference to unionists is the same as saying to people who live in Australia and who are not residents that they ought to become residents. A big difference exists in that analogy and the member for Fisher forgot to say that, if persons come here as migrants, they pay their taxes and get the benefits of our State, whether or not they are naturalised citizens. The important thing is that they are paying their way if they are earning money. However, in this instance these people are not paying their way.

I can see our friends opposite supporting people who do not want to pay or contribute towards their own well-being. The best illustration of that was an article that appeared in the *Advertiser* on 7 November 1983. It was by industrial reporter Mike Grealy who referred to unions fighting pay rises for non-unionists. He makes a telling point, and one needs to appreciate that the Arbitration Commission, in awarding the recent 4.3 per cent increase, made very clear that unions had to give undertakings to abide by wage indexation guidelines before they got the rise. That has been part of the problem with one or two of the unions; they did not want to give such a commitment. Until they do so, there is no increase. Of course that also illustrates another very important point. If you are a non-unionist, who represents you? Do you represent yourself? If you are a member of a union, you are represented by the organisation of which you are a member and in which you have an opportunity to elect officials. Unions have a legal identity, have a right to appear in the Arbitration Commission on your behalf, and can negotiate with employers.

On behalf of the A.C.O.R., Mr Munro was saying that, if the organisation has to give a commitment on behalf of its 50 000 members and if the other 5 000 other non-unionists want to enjoy the benefits of the work and commitment that their organisation has given, let them also give a commitment. As an individual in this area cannot appear before an arbiter, they cannot give those commitments and, in fact, they are free to do as they like. I think that what he says in this article is quite pertinent when he stated that there was no justice in paying the rise to non-unionists if they do not give the same: no extra claims. He states:

> Without the unions and without that commitment there wouldnot have been a 4.3 per cent increase being paid at all . . .
>
> There is no justice in a system which insists on one hand that an employer's offer of a justified increase to a union must be delayed and filtered through a Full Bench hearing and on the other hand allows a similar public employing authority to take unilateral administrative action to implement unconditionally increases to non-unionists.

That is precisely the problem where our Government is doing this on the basis of good management of its resources. When one reads *Hansard* of 21 September 1983, when this matter was introduced into this place by the member for Kavel, one notes that he made a number of statements which need to be analysed very carefully. The motion states:

> This House condemns the Government for its policy of compulsory unionism under the guise of preference to unionists and requires the Government to withdraw all instructions designed to give effect to their compulsory unionism policy.

I have been advised that the member for Kavel, before coming into this place, was a schoolteacher and a headmaster of one of the institutions in this State. I would hope that

schoolteachers in this State are better educated and have a better understanding of words in the English language than does the current member for Kavel. I used the *Shorter Oxford English Dictionary* as a guide in this matter and I find that, when one talks about 'compulsory', it means 'produced by or acting under compulsion, forced, coercive, a compulsory agency or means; or a legal mandate compelling obedience'.

Mr Baker interjecting:

Mr GREGORY: If the honourable member cares to listen, he may learn something. There is nothing worse than a person who is keeping his mouth open and his brain closed. That is what has happened to the member for Mitcham. The word 'preference' means 'the action of preferring or the fact of being preferred, liking for one thing before another, precedence or superiority'. It goes on to say that preference is given to one person instead of another. Whilst I said that the member for Mitcham had a bit to learn and never understood anything, it is in this area that there have been schemes of compulsory unionism. There are schemes of which I do not approve, and perhaps if the honourable member listens he will learn a thing or two. In New Zealand an Act of Parliament gives unionists the right to compulsory membership. They can go to a factory, look around and find a person who is a non-unionist. Indeed, the employer is obliged to say who is a non-unionist. They can ask that person to join the union and if he does not do so within 14 days a court order can be obtained to instruct the employer to dismiss the employee. We say that people have a clear choice when they seek work in an establishment; if they want to enjoy all the advantages of the union and want to work there, they can join the union. If they do not want to be in the trade union, they do not have to bother to work there. The people who work in such places may decide that they do not want to work with a non-unionist.

That raises another issue when we talk about democratic rights. There seems to be no concern about the democratic rights of the majority. Members opposite talk about democratic rights. They take away from the majority the right to determine whether or not they want to work with a person who will bludge on their efforts, use up all their money, and take all the benefits without contributing a thing. I am pleased to see that the member for Mitcham adopts the attitude that he would go into a pub with others and keep on buying round after round of drinks without the others ever contributing. That is what he advocates.

Mr Baker: Do you remember the United Nations Charter on Human Rights? I suggest you have a good look at it.

The ACTING SPEAKER (Mr Whitten): Order! I suggest the member for Mitcham cease some of his interjecting.

Mr GREGORY: This afternoon members opposite commented that unions seem to have done their job too well. I do not think that is so. If one reads history one finds that trade unions were established to remove oppression of working people. I can assure members that in my 14 years experience as a full-time union official, and something like 10 years as an activist on the workshop floor before that, no matter where one went one saw oppression.

Despite all the advances in our society today one can still go to workshops where there is oppression. It is measured in today's terms. Employers exhibit the same attitudes that employers exhibited in the 1830s when people were gaoled for wanting to form an agricultural union because they saw their interests being attacked. The trade union movement has gained from its experience of its rank and file people and its history over a long period. It has used that experience for its own benefit.

If it is beating the employers at their own game, tough luck, because they have far more resources, wealth and access to more skilled people in the legal area than our people have. They range Q.C.s against our rank-and-file members, yet we beat them because we have truth and justice on our side. We have people who are dedicated and who know what they are doing, which is why we are successful in negotiating with employers.

When we hear from people opposite, as we did last night, about what good money managers they are, I wonder how many have had anything to do with industrial relations in a large industrial enterprise. I think the member for Todd has bragged from time to time about his experience. I notice the company for which he worked changed its industrial attitude remarkably after he left. I do not think it was because he left, but because another company bought it out. Since then disputes there have been reduced markedly, company profits have gone up, and I suggest that if he were to think about it he would find himself like a duck out of water if he went back there now. On 21 September the member for Kavel said:

> . . . the best record of industrial relations, bar none, for the preceding 13 years, which period included the whole compass of the previous Labor Government's. To suggest that the Labor Government's directives contributed to industrial harmony is clearly untruthful, although that was suggested in answer to a question asked in this House within the past month.

I draw attention to the industrial relations record of the previous Government. I do not know what it was like under the Labor Government, but I do know that no Labor Government had the whole work force, or the best part of it, out here on the steps of Parliament House berating the Minister because of the Government's poor approach to industrial relations. It never had teachers marching through the streets protesting about job security and their future. I suggest that the Liberal Government's very attitude in rescinding the Labor Government's preference to unionist instructions issued by the Public Service Board went a long way towards affecting workers' attitudes.

The member for Chaffey yesterday said that his Government had never sacked anyone, which is quite true. In my previous occupation I was a member of deputations to the Minister of Water Resources in which I represented unions which were fearful about job security for their members. All I can suggest to the House is that unionists could not and would not believe the member for Chaffey when he said that his Party would not sack workers, because it was his Government that removed that preference clause. They saw that as an attack on themselves and their organisation.

He also made the point about the Public Service Association making a decision on an anti-uranium stance, and he went on to complain about that. I do not know why he should complain. The Public Service Association is an organisation in its own right, and it has rules registered in the South Australian Industrial Commission. Those rules are not harsh, unjust or unreasonable, because the President and the Act have ensured that. The honourable member talks about some people who resign because they are aggrieved. What he needs to appreciate, as do all members opposite, is that there is a very well-founded principle predetermined by the High Court by which, if members are advised of meetings of their Association and they choose not to attend those meetings at which decisions are made, they are bound to agree to those decisions because of their actions.

I think we need to understand that in this State there are many work places which are closed shops where non-unionists are not allowed. The member for Kavel made some comment about a building agreement. I see nothing wrong with that. The building unions have said to the building employers, 'We are negotiating with you on a whole package that includes wages, safety, job continuity and redundancy

payments; we are not doing it for the non-payers so we are not having them on the job.'

Employers have gone along with that because they know that when they talk to union officials—shop stewards and job delegates on the site—they are talking to people who can speak on behalf of the members of their union. They cannot speak on behalf of non-unionists. That is why they prefer it. Reg Ansett or, as he became, Sir Reginald Ansett, was I understand a supporter of the Liberal Party, and on one occasion when he was interviewing a non-unionist who was reminding Sir Reginald of his obligations, as an activist in the Liberal Party, to support people's rights to be non-unionists, Sir Reginald said to him, 'If you think I am going to allow you to have that plant standing idle you have another think coming. If you want to work for me either you are in the union or you are out of the place.'

Ansett's attitude was that he knew to whom he was speaking when he was talking to union officials. If people were not in the union he did not know to whom he was talking. That is why he insisted on that high standard in his organisation. I think members opposite want to take a leaf out of that man's book. The previous Minister of Industrial Relations in this State commissioned an industrial magistrate, Mr Cawthorne, to conduct a review of the Industrial Conciliation and Arbitration Act. Frank Cawthorne has worked for the employers as an advocate and has worked for unions. He is a man of some considerable experience; I am not saying vast experience, but he was asked to conduct a review. As part of that review, he issued in February 1982 a rather large document called the 'Discussion Paper' in which he set out a number of points. In one of these he refers to union security, preference to unionists and objection to union membership. He made this point in that discussion paper which I would like to repeat because I think it is worth remembering:

> In Australia, whilst it may be said that the incidence of the closed shop is widespread, there has been little legislative intervention on the issue. Indeed, the approach has generally been to encourage collective organisation, and in particular trade unionism, in recognition of the vital role unions play in the conciliation and arbitration system. Higgins J., who is referred to as the founder of the Federal conciliation and arbitration system, and as the 'architect of the [first Federal] Act, writer and judge' commented as early as 1911:
>
> > It may seem very shocking in some quarters, but it is my clear duty, in obedience to the law, to treat trade unionism as a desirable aid in securing industrial peace.

That illustrates the contrast in thinking of people opposite. In 1911, 72 years ago, a judge said that a trade union is a desirable aim in securing industrial peace, yet members opposite want to encourage people to be non-unionists. Mr Cawthorne's comment is that Higgins J. took up this general theme in colourful language, having this to say:

> . . . the union men have to fight for non-unionists as well as for themselves, in the efforts to obtain better terms from the employers; . . . the unionists have to pay subscriptions and levies, sacrifice time and energy and (not infrequently) their employment; and the non-unionists often assist the employer against the unionists in the struggle and yet come in and enjoy the fruits of the unionists' exertions and sacrifices.

He went on at great length pointing out why people ought to be in the trade union movement. Mr Cawthorne's report, incidentally, is a report that has been sought to be suppressed, hidden away, kept under someone's bed, but eventually someone dropped a copy off the back of a truck, and it became public property because the current Minister of Labour decided to have it published. It is an interesting document and one I think that is very useful in industrial relations. I wish to quote from that report something that would be of benefit to members. It states:

> I suggest that relevant experience has shown that, even if one accepted that the practice of the closed shop is in all cases a bad thing, no law attempting to outlaw the practice will have any significant impact. I mentioned in the discussion paper the widespread incidence of the closed shop in South Australia. The subsequent discussion phase has demonstrated that it is even more widespread than I imagined and, in addition, has much more committed support from the employer side than expected—

from the employer side—

> in brief, many employers with whom I spoke were enthusiastic about the enhanced industrial relationships which resulted from the practice of the closed shop in their plants. Given that degree of acceptance and the entrenched nature of such agreements, any law outlawing the closed shop will have little or no general impact.

I suggest that members opposite are totally ignorant in the matter of industrial relations and have no understanding of how it works. They are amateurs mucking around in a field where they have no experience whatsoever. I want to close on this note: people opposite have about as much knowledge of industrial relations in our society as the knowledge of that young couple who went on their honeymoon and sat up all night waiting for their sexual relations to arrive.

The Hon. D.C. WOTTON secured the adjournment of the debate.

POLICE OFFENCES ACT AMENDMENT BILL (No. 3)

Adjourned debate on second reading.
(Continued from 19 October. Page 1190.)

The Hon. D.C. WOTTON (Murray): I was saying before I sought leave to continue my remarks previously how disappointed I was at the Government's obvious attitude to this important piece of legislation. I express my concern and disappointment that the Chief Secretary, the Minister in this House responsible—and it is no good winking—has not taken part in this debate. He has not used the opportunity available to him to take part in the debate on this extremely important Bill.

I wish to say a few words about what the member for Hartley, who in the backbenches has obviously been groomed in police matters said in this debate. Unfortunately he referred to the introduction of this legislation as nothing more than a political exercise, and that is very hollow indeed. If the member for Hartley does not realise it, I would hope that the Chief Secretary would accept the fact that, while in Government, we were in the process of preparing this legislation. In fact, the Bill was almost ready to be introduced in this House when the Liberal Government left office.

After all, it is 12 months this week since the Bannon Government came into office, and it has done absolutely nothing at this stage as far as the introduction of legislation is concerned, so it was appropriate that we went ahead and introduced this Bill. If it has not served any other purpose it has certainly served to get the Government to take some form of action, because I believe that since notice of this legislation was given the Government has started racing around like a chook without its head not knowing quite where it was going but realising that it had to do something about introducing amending legislation to this Act. I understand from members of the force that, once notice was given of the introduction of this legislation, everything started to whir and, if it has not achieved anything else, it certainly has meant that the Government has had to take some positive action in this regard.

The member for Hartley also needs to appreciate that many of the measures introduced in this legislation are the result of recommendations by the 1974 Mitchell Committee and the Australian Law Reform Commission. I think that

I know something of the member for Hartley's legal abilities and, although I recognise that they might be pretty good, I doubt that he could improve on the recommendations in any way shape or form that came out of the work carried out by both of those bodies. It is not just the Mitchell Committee and the Law Reform Commission: other committees have looked at the matters referred to in this legislation and have given support to its provisions. The member for Hartley has talked at great length about the legislation being 'a gross infringement of civil liberties without adequate checks and balances'.

I can understand why he and, in fact, the Government adopts that attitude, because they have always been a bit that way, and that is why it will be interesting to see what the Government intends to do about some of these difficult and complex matters that have to be addressed in legislation. It has been suggested that the Government intends to introduce its own Bill. Well, let us see what it will do to solve some of the problems being experienced by the South Australian Police Force at present. Let us see how far it will go if it believes that this legislation is a gross infringement of civil liberties. I have had many letters and numerous telephone calls from civil libertarians who have contacted me and accused me of all sorts of things. I have been able to satisfy many of those organisations and it will be interesting to see just what the Government is going to do about it.

Mr Groom: What about points of specific criticism?

The Hon. D.C. WOTTON: I intend to do that. If the member for Hartley likes to sit back in his corner I will be happy to answer some of those questions. I have said before that many of the comments of the member for Hartley are not worth answering.

Mr Groom: Which ones?

The Hon. D.C. WOTTON: I will get to it. That has been made quite clear by those people who have advised me on this legislation. I suggest that the community generally is very concerned about the increase in violent crime and not just that, but particularly the effects of that crime on the victim and the families of the victim.

As I said in introducing this legislation, this Bill provides a balance between reasonable powers for the police to apprehend criminals and bring them to justice, on the one hand, and the protection of the liberty of the citizen, on the other hand. I stress again that these increased powers of the police would have little or no effect on the law-abiding citizen. They are being given in the recognition that if police are to discharge effectively their onerous and increasing commitment to criminal investigation they require and demand positive contemporary legislative powers. I would think that that point would have been made quite clear in the 12 months in which the present Chief Secretary has held his position.

In his contribution to this debate on behalf of the Government, the member for Hartley had much to say about various aspects of this Bill, but I want to refer particularly to what he had to say in relation to the amendment to section 78, what he called the centrepiece of the debate. The member for Hartley said:

> The centrepiece of the member for Murray's Bill is an amendment to section 78. Currently, under section 78 a person when arrested must be forthwith delivered into the custody of a member of the Police Force who is in charge of the nearest police station in order to bring the person before a justice for bail.

We all know that; that is lifted out of the legislation. He continued:

> This section is really an enactment of the common law. That is, that an accused must be taken without delay—

I stress 'without delay'—

> and by the most direct route before a justice unless circumstances reasonably justify a departure from those requirements, and note the import in the common law with regard to discretion. Consequently, already under the common law and indeed under section 78, discretionary circumstances are permitted—

again, I stress that—

> so that once a person has been taken to the police station that person can be removed in the course of police inquiries. An obvious example of the way in which the discretionary power under section 78 works, which is a re-statement of common law is, for example, a person who, after arrest, tells the police officer that stolen goods are located at a particular place and that his co-offender is about to remove them. Quite properly, the police are able to take that person, instead of taking him forthwith before a justice, that person can be taken to a place for the purpose of recovering the stolen goods. That is a proper application of section 78.

As I understand it, at present the police have not the authority to do that, so let us see what the Government intends doing about it. There is a common law requirement to take 'without delay'. However, the problem in South Australia is, as I explained when I introduced the Bill, that the word used is 'forthwith'. Judicial interpretation has now made that almost impossible to live with. For example, in the *Crown v. Kiley,* (No. 6261 on 28 July 1982), the arresting officer delayed the charging by some 20 minutes. Consequently, some of the evidence was excluded. The problems with the word 'forthwith' have attracted numerous critical comments from the Bench. I referred to some of the examples when I introduced this Bill. The discretionary circumstances to which the honourable member referred are of no value because the procedure is so restrictive. For example, in relation to a person who has been arrested, one who can obviously provide a great deal of assistance the present requirements still remain that he must be forthwith taken to a station to be charged, then he must be put in the cells. If the arresting officer needs him for further assistance, an application has to be made and granted. All of this takes time, and the problem of bail has not even been considered. Consequently, only in the extreme circumstances are the discretionary extensions to which the member for Hartley referred of any value. I can only repeat that the principal Act is restrictive. Time and time again it has been brought to my notice (and I am sure it has been brought to the notice of the Chief Secretary) that, upon apprehension, there must be delivery forthwith into the custody of the officer in charge of the nearest police station.

As I said in the second reading explanation, this requirement has proven to be a serious impediment to the full and proper investigation of crimes. The impediment to police is the inability to detain and question a person or have an arrested person accompany them on related inquiries. Police are both entitled and bound to ask questions of any person from whom they think useful information can be obtained. However, section 78 of the law relating to arrest procedures precludes this from happening. Again, I make the point that commissions and committees which have sat to consider these criminal procedures and associated topics have recognised this problem facing the police today.

I referred in my second reading explanation to the difficulties which have been highlighted on many occasions and which are the continuing subject of comment by the courts, called to consider the existing restrictive nature of the current law. I do not intend to refer again in detail to these cases, but I would have thought that the member for Hartley and the Chief Secretary would have acknowledged the concern and criticism levelled by the courts at the difficulties associated with section 78 as they relate to those occasions to which I referred in my second reading explanation.

Mr Groom interjecting:

The Hon. D.C. WOTTON: The honourable member should not get excited; I have a long way to go yet. If a few

more people on the back benches of the Government knew what the legislation was about they might be able to put a little more constructive comment into this debate; there has not been much from that side so far. In his comments on 'reasonable cause', the member for Hartley said:

In his second reading explanation the member for Murray has confused the act of arrest with a formal charge. The amendments apply only to the post-arrest situation; that is, at the point of time the police have made up their minds that there is enough to arrest—

in other words, reasonable cause. The member for Hartley also said:

The drafting of this section by the member limits the section to the suspected offence for which that person had been apprehended, and not to other offences. What can the police officer further investigate if he cannot investigate other offences? The situation is quite simply this: once a police officer makes up his mind to arrest, he has a genuine belief that he has all the evidence—

again, reasonable cause—

that that person has committed a crime.

He further states:

He cannot investigate other offences and he has already arrested, so he has made up his mind that the crime has been committed. If a police officer arrests, he just about has everything.

Again, that is a matter of reasonable cause. He then goes on to talk about British justice, as follows:

There is a delicate balance between needed police powers and the liberty of the individual. These new subsections simply destroy the balance and the fundamental liberties that have taken centuries to develop in countries exercising principles of British justice.

He then goes on to refer to the Law Reform Commission's recommendations. If one seeks to use British justice to oppose such changes, then I would suggest that this Parliament should be reminded of the extensive police powers to detain for questioning without arrest. A good example is the Hells Angels case which was recently reported in the *Advertiser* and I would suggest that the member for Hartley looks at that. It is a matter of only a couple of weeks ago that that was reported in some detail.

Again the additional comments about the extension of the four-hour limit imply that members of the judiciary are not competent to discharge their duties because the statements to which I referred earlier suggest that, if an officer needs reasonable cause, very rarely if ever does he have all the evidence. Therefore, to suggest otherwise misses the whole object of the changes sought to section 78. The ludicrous suggestion by the member for Hartley that a person may be kept in custody for long periods before charging is really, I suggest, an insult to the judiciary because of the criterion and procedure to be followed for any extension. If we go on—

Mr Groom interjecting:

The Hon. D.C. WOTTON: I know that the honourable member wants to make much comment. He has had his chance and what he has had to say does not make a lot of sense, so let me have the opportunity to have a bit to say as well. The member for Hartley referred to comments that I made about the Miller trial, as follows:

At the trial, Miller's lawyers argued that the removal of Miller from the custody of the officer in charge of the watch was a breach of section 78 and, therefore, the confessions he made should be excluded. However, the court exercised common sense . . .

That is how the member for Hartley described it: 'the court exercised common sense'. The reference to common sense again misses the point. It means that the arresting officer will never know until the trial whether he has acted correctly. He is asked to rely on the common sense of the bench and any discretion that may be exercised. The proposed changes to section 78 would remove the uncertainty in the minds of the offender and the arresting officer, and this would be a step in reinforcing civil liberties and not an attempt to erode them, I would suggest, as the member for Hartley has suggested. The member for Hartley has also made great play about the fact that there was not consultation. He said:

I suggest that the honourable member talks to members of the Police Association about this to determine whether they are concerned about the Bill.

I might say that, whilst in Government, we did consult extensively with the Police Association and the Police Department and do have the Association's support for the changes that we are proposing at present. It is quite obvious that the Government is not particularly keen or anxious to know whether or not we have its support. However, I repeat that we have the support of the Police Association in introducing this legislation.

I might mention also that the support is current, particularly because of the present Government's delay in acting until very recently on this issue, as I mentioned earlier. In closing the second reading debate (which I recognise will mean the conclusion of the debate on this private member's Bill), if the Government intends not to support it (and I understand that the Government will not support the legislation), I can only say once again that I would urge members of this House to support the legislation which provides, as I said earlier, a balance between reasonable powers for the police to apprehend criminals and bring them to justice on the one hand, and the protection of the liberty of the citizen on the other. I commend this Bill to the House and, if it is not the Government's intention to support this legislation, I can assure the Government that we will be looking very closely and waiting for an effort of some description on the part of the Government to introduce legislation that will overcome many of the problems to which I have referred.

It has had plenty of time to do it. The need is great: it has been recognised for some time. It is not a matter of politics: it is a matter of getting on and doing something about it. Therefore, if the Government intends to vote against this legislation (and it would be most regrettable if that is the case), I hope that we will see some positive action on the part of the Government in the very near future. However, I commend this Bill to the House.

The House divided on the second reading:

Ayes (17)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Ingerson, Lewis, Meier, Olsen, Oswald, Wilson, and Wotton (teller).

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, M.J. Brown, Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally (teller), Ms Lenehan, Messrs Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 5 for the Noes.

Second reading thus negatived.

NATURAL DEATH BILL

Adjourned debate on second reading.

(Continued from 19 October. Page 1191.)

The Hon. JENNIFER ADAMSON (Coles): I have given the intent of this Bill very careful consideration and have spent a lot of time reading the debates in another place and studying the report of the Select Committee of the Legislative Council—

The SPEAKER: Order! There is too much audible conversation in the Chamber.

The Hon. JENNIFER ADAMSON: —and I have consulted with a number of people. As a result of that study and consultation I have concluded that I cannot support

the Bill. At the same time, I commend the Hon. Frank Blevins who originally raised this issue for what he did in terms of arousing public consciousness of the importance of the issue and also for what I believe will ultimately result (regardless of whether or not this legislation is passed by this House) in the public being far better informed about the rights of patients. In itself that will be a worthy outcome of the initiative taken by Mr Blevins, although I believe that the legislation should not be passed.

The purpose of the Bill is to provide for and give legal effect to directions against the artificial prolongation of the dying process. This will ensure that the terminally ill patient will be able, if he wishes, to issue a direction that extraordinary measures are not to be taken when death is inevitable and imminent. That summarises the intent of the Bill. Having looked at that, one is then obliged to look at the situation as it stands to see whether the Bill will in fact either prevent any present malpractice or alternatively enhance any existing rights that patients already have. The answer to both of those questions is, 'No'. Patients are already protected by common law and any patient at any stage of treatment can refuse to undertake treatment. The only difficulty that I see in the existing situation is that, generally speaking patients are not well aware of that existing right.

The A.M.A. in expressing reservations about the Bill acknowledges that many people are not aware of their rights under common law to refuse treatment and many doctors do not inform their patients of their rights. In that respect this legislation, if passed, could perform a useful function in educating people about their rights. This would be done by enshrining the rights of people in law with the consequent publicity. However, I submit that the publicity that has already occurred—

The SPEAKER: Order! There are far too many discussions occurring. I cannot hear the honourable member for Coles.

The Hon. JENNIFER ADAMSON: As a result of that publicity the A.M.A. is taking active steps to ensure that doctors are sensitive to the importance of informing patients of their rights to refuse treatment. In considering my attitude to the Bill, as I said, I read the record of the debate in the other place. I was particularly impressed by the contribution of the Hon. Dr Bob Ritson who in the end voted in favour of the Bill which passed the other place on the voices without division. But when I look at the submissions of the churches and at the views of the A.M.A. I am persuaded by the arguments that they put forward, and I suppose I am persuaded also by my own philosophical approach that unless legislation is demonstrably desirable, then legislation should be avoided. In other words, we should not legislate to enshrine in the Statutes a legal situation that already prevails, and neither should we legislate to provide remedies if those remedies already exist by way of ordinary practice or by way of common law.

In looking at the attitude of the churches I read the submission that the Anglican Archbishop of Adelaide forwarded to the Legislative Council Select Committee. It is natural, I suppose, that as an Anglican I should feel a sympathy with the views of the Archbishop of my own church. Under the heading 'Basic ethical principles' the Archbishop stated:

> Christian ethical thinkers draw a clear division between euthanasia or mercy killing on the one hand and the withdrawal of artificial life support systems in cases where life is only being maintained through these artificial systems on the other.

The Archbishop then goes on to say:

> Euthanasia, whether chosen by the patient himself or by others is unacceptable to Christian conscience. There could be grave long-term consequences for mankind in the acceptance of any form of euthanasia.

It is well understood by everyone in this place that this Bill does not in any way promote euthanasia. The submission from the Archbishop continues as follows:

> The withdrawal of artificial and extraordinary means of maintaining life may however in the appropriate circumstances be ethically proper. This being so, there is no necessary objection in principle to giving a person the opportunity to signify in advance his own desires concerning the withdrawal of extraordinary measures in appropriate circumstances in his own case.

However, the submission then goes on to deal with three problems of principle, which I will outline. Those problems are important because they are also highlighted in a statement from the Catholic Archbishop of Adelaide which I will read into *Hansard* shortly. The submission states:

> (i) The outlook of a person is likely to change considerably from a time of youthful health to a time of illness later in life. It is quite unreal for a person in good health to make a binding decision relating to a hypothetical set of circumstances in later illness. Binding oneself by a decision made possibly years before it is acted upon may in the end prove to be a real limitation on the person's freedom.
>
> (ii) Some matters are better dealt with by developed and tested conventions than by rigid statute law. The richness and variety of life cannot properly be contained by law. As will appear below, this is a field in which adequate definitions are extremely difficult (probably impossible) to devise. Definitions in law that are too loose will readily lead to abuse; those that are too stringent may prevent action where it is ethically justified.

To me, the definition of that second problem by the Archbishop summarises my view on the Bill. The third problem mentioned in the submission is as follows:

> (iii) The attempt to define terminal illness illustrates the problem of principle. In fact, a terminal illness is only known to be so afterwards. The symptoms may point to the likelihood of death, but it is not uncommon for predictions of death to be shown to be incorrect by the event. Legal definitions are impossible to obtain in this area.

So, further on in the submission the Archbishop summarises the view of the Anglican Church by stating:

> In view of the dangers inherent in this legislation it should not proceed unless a clear need for it can be demonstrated and it can be clearly shown that the advantages outweigh the disadvantages. Despite the superficial attractiveness of the concept behind this Bill, the more it is studied in detail the greater are the problems that emerge. The example of California and some other American states is not of itself compelling as social circumstances may be different, particularly in regard to attitudes to litigation. In any case, advice from California suggests that the corresponding Act in that State is rarely evoked and it tends to be a dead letter.

That, in itself, is very interesting and tends to convince me that the educative function of the law, which may have pursuaded me to support the legislation, has not in practice turned out to be as effective as one might have thought. The summary continues:

> The present practice of consultation by medical teams among themselves and with the patient and relatives where possible appears to work well. There are advantages in continuing to proceed by generally accepted conventions rather than by statute law in such an area as this.

The summary then concludes:

> For these reasons it is undesirable to proceed with this legislation.

To me that is an admirable, logical and ethical argument in opposition to the Bill. In the debate in the other place it was suggested by more than one speaker that the legislation was not inimical to the views held by the Catholic Church and there was a suggestion that the Catholic Church did not oppose the legislation but gave it tacit support. However, I sought the view of the Catholic Archbishop of Adelaide and he provided me with a statement which I believe should be read into the record. It is dated 21 September 1983, is from Archbishop James Gleeson, and states:

> I have no problem from a moral point of view with the approach of this Bill in providing for the legally recognised refusal of

extraordinary measure of futile therapy for the terminally ill. In making this statement, I absolutely exclude any possible extension of the Bill to provide for euthanasia.

We must recognise that the inalienable right to refuse such therapy and the right to life itself are basic to the human person and are not conferred by civil law. Therefore, I have some queries concerning the necessity or even the desirability of the Bill. My main question with the Bill is in the procedure for making a direction in advance.

Here the Catholic Archbishop endorses the reservations of the Anglican Archbishop, and states:

It is extremely difficult for people to weigh all possibilities and implications and to evaluate them prior to the actual personal situation in which the need for implementing this direction arises. A further difficulty for me is that the text of the prescribed form for making a direction has not been provided.

That, of course, would be done by regulation if the legislation is passed.

To conclude, it is important to convey the view of the Australian Medical Association, as expressed by two members of the South Australian Branch in an editorial in the *Medical Journal of Australia* of 1 November 1980. The editorial deals with the natural death legislation and was written by Dr J.E. Gilligan, Director of the Intensive Care Unit at the Royal Adelaide Hospital, and Dr Janette Linn, a former President of the Association and a general practitioner working in the field of chronic and geriatric care—in other words, in the field in which this legislation would have an impact. They state:

A prime conviction held by advocates of 'right to die' legislation is that medical officers consider only aggressive treatment of disease (surgery, antibiotics and other drugs, massive irradiation, and life support techniques such as artificial kidneys, respirators and intravenous feeding). There seems the feeling in such writers that aspects such as relief of pain, thirst and hunger, and emotional support of the patient and family are not considered by the medical officer as part of his role. In addition, the use of complex techniques in the treatment of potentially remediable disorders is confused with the simpler measures appropriate for a terminal condition. If this is a widely held community belief it is indicative of a communication gap of enormous proportion between the medical profession and the public.

I would endorse that view. I believe a communication gap exists and that the responsibility for closing that gap lies with the medical profession. Since that editorial was written, in November 1980, much has been done but much more needs to be done so that every person in this State and country knows that it is his or her right to refuse treatment at any stage.

In fact, having stepped into a doctor's waiting room or even lying on the operating table about to undergo an anaesthetic the patient can say, 'No, stop'. One has the right to say that and withdraw treatment. If that was more widely known, the command of situations by patients would appropriately increase. I say 'appropriately' because at the moment patients consider themselves to be almost totally within the control of the medical practitioner caring for them. That, in itself, would have beneficial effects throughout the whole health field and the health of the community. It would result in a better relationship—a more equal and responsible relationship—between patient and doctor. The editorial continues:

Central to discussion on 'right to die' legislation is the concept of a patient's rights in law, and the allied topic of consent to a procedure.

The editorial then continues:

The legal doctrine of informed consent clearly rests upon the ethical principles of autonomy and self-determination by patients, and recent legal opinion has offered that it is extremely doubtful whether the law would permit an intervention, even to save a life, against the declared wishes of a sane adult.

The solution to the problem of public disquiet felt by the South Australian legislators may lie not in the passing of legislation, but in emphasising to the public their rights in accepting or declining treatment, and what can be done to aid the terminally ill. The aim of medicine is not 'life at all costs', but relief of human discomfort, preferably by its prevention, but if not, by surgical and medical techniques. However, when these have nothing to offer, the demise of the patient may be allowed in comfort and dignity. It should not be necessary to resort to legislation to achieve this.

The views that I have read into the record, whilst not my own, are shared by me. For that reason, and with due respect and appreciation to the mover of this legislation, because I believe that a service has been done to the community by the public debate, I oppose the Bill.

Mr LEWIS (Mallee): In most eloquent fashion I have heard elucidated to the Chamber this afternoon by the member for Coles precisely the same reasons and views as I have on this measure. I find, as a matter of conscience, that the direction my church (the Anglican Church) gives is one which rests very comfortably with me and one which explains my view. It also happens to be a view shared by a number of prominent Lutherans with whom I have spoken, one of whom is a very highly respected doctor in the community, practising in various aspects of medicine in specialties. I wish to identify him no further than that. He will know who he is. Other than that, I am enormously grateful to him for the views he has expressed to me as a man of the Christian faith, and as a man of medical competence.

I have some difficulty with the Bill, perhaps in some measure more so than in the explanation been given by the member for Coles. I am concerned about clause 4 (2), which states:

The direction must be witnessed by two witnesses.

I am not satisfied that in some circumstances a mischief could not be perpetrated by two people in collusion with a doctor who may be attracted to the idea that the organs of the individual subject to the ultimate termination of life are going to be more valuable to a recipient than to the person who is said to be suffering so much, and to be also thereby and as well incapable of sustaining their own life through their own biological systems that they would allow it to terminate at a time convenient to them.

It is too grey for me. I believe that those two people—and if the Bill goes into Committee I shall seek to move this way—ought to have been known to the subject person for some considerable time. It is not good enough for those two persons to be, for instance, medical officers of the hospital or para-medical staff, in my judgment. Their judgment of the intent and wish of the subject person at that moment could be clouded again in the same way as I have described the medical practitioner's judgment being clouded.

I do not impute that any such medical practitioner would be guilty of unprofessional conduct, but the temptation is there, not to do it overtly but to do it without realising that it is being done because of a subconscious desire to do what appears to be the lesser of two evils or, more particularly, the greater good. That is wrong. That is why I believe that, for instance, those two witnesses would need to be well known to the subject person or ordained members of a church, such as visiting padres, pastors or priests to the hospital, who would be sensitive to the need to give the existing life of the subject person every possible opportunity to recover to full health and strength, or at least to the point where that person is capable of enabling the mind, without the pain which the body is suffering and which is affecting the mind, to make a clearer judgment about that subject person's condition. Clause 4 (3) *(a)* states:

Where a person who is suffering from a terminal illness has made a direction under this section, and the medical practitioner responsible for his treatment has notice of that direction, it shall be the duty of that medical practitioner to act in accordance with the direction unless there is reasonable ground to believe—

(a) that the patient has revoked, or intended to revoke, the direction;

How on earth, Mr Speaker and honourable members, can one be sure of the interpretation of 'intention to revoke'? I cannot believe for the life of me, that it is fair to place such ambiguities in the Statutes and expect that they will be interpreted with consistency.

In keeping with the comments made by the member for Coles, I commend the Hon. Frank Blevins for having raised this matter in the fashion he did, taking what he sincerely believed to be a responsible view of the subject, and elevating it to the level of conscious awareness in the public mind and in the professional point of view of medical practitioners. That has been a great public service. I believe the Hon. Frank Blevins has to be given the highest commendation as a member of this Parliament in another place, for having done that.

However, as has been pointed out by the member for Coles, by virtue of the public debate that has ensued, it is clear that it is now possible for a medical practitioner, in consultation with his or her patient, to determine that life support systems, (all or some), should be removed in certain circumstances. Therefore, the law, as this Bill would make it, becomes superfluous in that situation. I am particularly attracted to the most part of clause 7 (1), but I am disturbed at the lack of definition in clause 7 (2) which provides:

> Nothing in this Act authorises an act that causes or accelerates death as distinct from an act that permits the dying process to take its natural course.

Again, that does not clearly define whether or not it involves the continuation of life support systems or their removal in the circumstances in which that judgment has to be made. That is too ambiguous for me. I cannot support it in its present form. Overall then, for those particular reasons I mentioned, and for the general reasons given by my church and articulately put to the Chamber as I said by the member for Coles, I cannot support the measure.

The Hon. E.R. GOLDSWORTHY secured the adjournment of the debate.

NORTH-SOUTH TRANSPORT CORRIDOR

Adjourned debate on motion of Hon. D.C. Brown:

> That this House condemns the decision of the Government to scrap the north-south transport corridor as the decision will cause major transport problems especially for the southern metropolitan region, and furthermore this House calls on the Government not to sell or dispose of any land necessary for the construction of this corridor.

(Continued from 21 September. Page 996.)

Mr TRAINER (Ascot Park): This is the third occasion on which I have risen to speak on this Bill, having had to curtail my remarks twice already, and having had previously to seek leave to continue on subsequent Wednesdays. I believe that I will need eventually to curtail my remarks once again, although I have enough research material on this matter, which concerns me and my constituents, to speak until Christmas or beyond. However, I do not wish to prevent others from participating in the debate.

A question may arise as to why I happen to have so much to say on this matter: it is because it is of continuing concern to me that the Opposition for some reason or other seems to have such a desire to restore this monster that has been haunting my constituents since 1970. When I refer to my constituents, that is not only the existing electorate of Ascot Park which would be rent asunder by the north-south corridor but also the electorate for which I intend to stand at the next election, the electorate of Walsh, which would also be dismembered. For some reason or other, members opposite want to restore this monster, to re-awaken this Kraken of the north-south corridor. They do not seem to be able to understand the impact that it would have on the people in my area. It seems to be fairly common on the other side of the House to not have any sympathy for the feelings of working class people. As an example I would like to quote—

Mr Mathwin interjecting:

Mr TRAINER: It is very interesting that it should be the member for Glenelg interjecting at the moment, because I was about to quote his very words. The member for Glenelg—

Mr Mathwin: Five weeks you have held this Bill.

The SPEAKER: Order! I ask the honourable member for Glenelg to come to order.

Mr Mathwin: He is just a frustrating member, that fellow. He has held the Bill for five weeks.

The SPEAKER: Order! I warn the honourable member for Glenelg.

Mr TRAINER: The member for Glenelg is quoted in the *Guardian* of 17 August this year, in an article entitled 'Traffic snarls to grow' (there are plenty of snarls on the other side, too, but of a different variety). He referred to the Hove crossing problem and the State Government plans to build a railway overpass, in these words:

> What a pleasant outlook that promises for unfortunate residents, who will have to face either concrete piers or a heap of rubble, with the train anything up to 30 feet in the air.

It is quite commendable that he should be concerned for his constituents regarding the view facing them of a railway overpass near their properties. It would be interesting if he had the same sort of concern for my constituents who would face that sort of construction, not just for a railway overpass but for an eight-lane elevated freeway that would have gone for kilometre after kilometre in my electorate, and in other working-class electorates. He has no concern for the residents in my area nor for the community groups in my electorate which would have been affected. He has no concern for the Edwardstown Church of Christ, the Edwardstown Friendship Centre, the local meeting place of the Edwardstown pensioners club, the clubrooms of the South Road Cricket Club, the clubrooms of the Edwardstown Senior Citizens, the Harcourt Gardens Kindergarten, or the local playground, all which would have been demolished in the space of about a kilometre in my electorate.

I do care about them, and that is why I have had a fair amount to say on this subject. I am not impressed with the political posturings of the members opposite whose constituents are not in the path of this sort of monstrosity, nor am I impressed with the political posturings of the Royal Automobile Association in support of members opposite. Members opposite have had a lot to say about the position of the minority of trade union members who support the Liberal Party and their feelings when their trade union gives support to the Labor Party. Members opposite have nothing to say about those Labor supporters who are members of the R.A.A., and who see the R.A.A. coming out in support of the Liberal Party in the way that it has on this occasion.

I would surmise that those people who are members of the Royal Automobile Association and who are Labor supporters would be the majority. Members opposite have no concern for a majority like that, and yet they express a lot of concern for a minority who at least have the opportunity to opt out financially from the position taken with respect to the Labor Party by a trade union. However, they apparently do not care about the people who are Labor supporters and members of the R.A.A. when that organisation goes hand in hand with the Liberal Party, presumably taking such action because of the personal preferences of the establishment figures who dominate the R.A.A. and who apparently look on people in working-class electorates as just freeway fodder. Neither am I particularly impressed with the cavalier attitude of the Marion council to residents of

wards 1 and 3. I am not particularly impressed with the attitude of the Southern Metropolitan Region of Councils, an attitude which apparently centres on the activities of Mr Simpson, of the Meadows council, a disgruntled advocate of super highways who unsuccessfully stood, by some amazing coincidence, for preselection for the Liberal Party Legislative Council ticket last year. Very few of the councils opposing the decision are directly affected by the corridor. Most would receive the benefits without any of the financial or social costs. That is rather a callous attitude. We do not approach the issue that way on this side of the House.

There is no genuine proven need for the transport corridor. There are indeed transport problems requiring solutions, but the solutions do not necessarily involve a freeway. If and when an additional north-south road is needed, it will justify itself, and personally I believe that to be the big fear in some circles: if the corridor is taken off the plan it has to be justified; at present it does not. Now, the MATS plan begat the son of MATS, the north-south corridor. That was a child of its time, a child of a time of exploding traffic densities and cheap petrol, and we were entranced by that plan. That spectre is gone, and if the corridor is to return it will have to be able to justify itself. I commend to members an article by Chris Milne in the *Advertiser* of 28 June this year, in which he states:

South Australia's Director of Transport, Dr Derek Scrafton warns: 'The alternatives will not be cheap.' But they will be less disruptive to residents and local communities, they will allow rehabilitation of housing (although some parcels of land along the route will be required for improvements) and they should enable Adelaide to cope adequately with any traffic growth up to the end of the century. Then, if high rates of population and road-use growth have returned, the planners may have to start drawing red lines on maps again. But, even if they do, they will be different red lines, on different alignments and routes to the now-abandoned north-south freeway.

Any new corridor will have to justify itself. The previous Government in effect acknowledged that and I draw members' attention to an article of 16 July 1981 in the *Advertiser* entitled 'North-south freeway for city unlikely—Minister' and which states:

The chances of a north-south freeway being built in Adelaide were remote, the Minister of Transport, Mr Wilson said yesterday.

Referring to traffic patterns he said:

. . . the evidence was not strong enough to suggest a freeway was the only solution to the problem. Instead of building a freeway, small limited access roads and further road widening in the corridor possibly would solve the problem.

Shortly afterwards, the eight-lane highway plan was scrapped, but they were not prepared to take the action of taking it off the map altogether. They lacked the political will. We have the Leader of the Opposition, who could not take two rounds in a revolving door, talking yesterday about a Government having 'weakness in firm decisions', or talking about 'the hard options in priorities that Governments are elected for'. However, when the Liberal Party had the opportunity last year it muffed it! I seek leave to continue my remarks later.

Leave granted; debate adjourned.

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

HISTORIC SHIPWRECKS ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

PRICES ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. G.J. CRAFTER (Minister of Community Welfare): I move:

That this Bill be now read a second time.

This short Bill increases the maximum penalties for breaches of the minimum wine grape price provisions of the Prices Act, 1948, from $2 000 to $5 000 and extends the time limits for prosecution of such breaches from six to 12 months. The Government has become aware of various schemes being entered into by certain parties which, it is asserted, avoid the provisions of the Act. Pending a detailed study of these schemes, and the possibility of further amendments to prevent these schemes, it is desirable to increase the penalties for breaches of the relevant provisions. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Remainder of Explanation

Moreover, the nature and duration of the avoidance schemes is such that the period of six months for the commencement of prosecutions is too short. Complaints have been received at the end of the grape-growing season in respect of arrangements entered into at the beginning of the season and in these circumstances the limitation period may have expired. The Bill will remedy this problem.

Clause 1 is formal. Clause 2 makes an amendment to subsections (7) and (11) of section 22a by substituting a new penalty of $5 000 for the existing penalty contained in the subsections. Clause 3 makes a corresponding amending to subsections (1) and (2) of section 22b—a penalty of $5 000 is substituted for the existing penalties. Clause 4 makes a corresponding amendment to section 22d—a penalty of $5 000 is substituted for the existing penalty. Clause 5 makes a consequential drafting amendment to section 50. Clause 6 inserts new section 50a which provides for the commencement of prosecutions under the Act. Such proceedings must be commenced within 12 months of the date on which the offence is committed, and shall not be commenced except by an authorised officer or a person authorised by the Minister.

The Hon. B.C. EASTICK secured the adjournment of the debate.

SAVINGS BANK OF SOUTH AUSTRALIA ACT AMENDMENT BILL

The Hon. J.C. BANNON (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Savings Bank of South Australia Act, 1929. Read a first time.

The Hon. J.C. BANNON: I move:

That this Bill be now read a second time.

It amends the principal Act, the Savings Bank of South Australia Act, by removing from section 31 the restrictions imposed by that section upon the power of the bank to grant unsecured loans or secured loans where the amount of the loan exceeds the value of the security. At present, the section provides that the amount of unsecured loan must not exceed the prescribed maximum and, in the case of a secured loan, any amount by which the amount of the loan exceeds the value of the security must not be greater than the prescribed maximum. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Remainder of Explanation

The prescribed maximum is $15 000 and the Bank has found that it places severe limitations upon the services provided by the Bank to business enterprises. Subsection (4) of the principal Act provides that the prescribed sum may be varied by the trustees of the Bank with the consent of the Treasurer and the trustees have requested that the prescribed maximum be increased by a significant amount.

The trustees consider that growth in the commercial area of the Bank's business will be severely inhibited until the present restriction in the Act is eased, as a number of reputable business enterprises in the State arrange some of their banking and merchant bank facilities on an unsecured basis. The Government believes that any major changes in the Bank's business operations should be considered in the context of the present discussions about a possible amalgamation with the State Bank of South Australia. Accordingly, the matter was referred to the Merger Advisory Group which includes representatives of each of the two banks and of the Government. The Merger Advisory Group and the boards of both banks consider that it is desirable that the Savings Bank should not be unduly inhibited in its capacity to develop general and corporate banking business before any merger takes place. They are in favour of easing the present restrictions in the Act. Accordingly, the Government is sympathetic to the request of the Savings Bank to raise the prescribed maximum.

However, in view of the very large increase in the prescribed maximum which had been requested, the Government believed it appropriate that the matter should be brought before Parliament in the form of a proposed amendment to the Act rather than simply going through the process of consenting to a variation by the Trustees. Further, the Government believes that, rather than increasing the prescribed maximum to a specific figure, it would be preferable for the restriction to be removed altogether and to give the Savings Bank wider power to conduct general banking business. This would allow the Act to reflect more closely the corresponding provisions of the State Bank Act.

The trustees do not propose that a major portion of the Bank's lending will be provided on an unsecured basis but they believe that there will be occasions when it will be to the Bank's advantage to provide unsecured advances to companies which are clearly in an impeccable financial position. It is proposed that, in conducting business, the attitude of the Savings Bank will be similar to that of the State Bank so that the degree of risk can be kept within reasonable limits having regard to the kind of business engaged in.

Clause 1 is formal. Clause 2 amends section 31 of the principal Act by striking out subsections (3) and (4).

Mr OLSEN secured the adjournment of the debate.

STATUTES AMENDMENT (FLOOD MANAGEMENT) BILL

The Hon. J.W. SLATER (Minister of Water Resources) obtained leave and introduced a Bill for an Act to amend the Local Government Act, 1934; and the Water Resources Act, 1976. Read a first time.

The Hon. J.W. SLATER: I move:

That this Bill be now read a second time.

Very substantial areas of the towns and cities of South Australia are subject to some risk of flooding. For some areas the chance of significant inundation is quite remote and the level of risk to life and property is acceptable. In addition, the area within the Torrens River valley in the eastern suburbs and those within the low-lying flood plain of that river which hitherto were subject to unacceptable risks of flooding will be, after completion of the River Torrens Flood Mitigation Scheme, protected from the effects of all floods up to a flood of one in 200 years magnitude, an acceptable level of protection for residential areas. However, in spite of this scheme and the progress with a number of others under the stormwater drainage subsidy scheme, there remain areas which are subject to unacceptable levels of risk to life and property. Parts of the urban area through which First, Third and Fourth Creeks run are examples. Prior to the floods of June 1981, there was only a limited appreciation of the significant flood risks in this area. The responsible councils are now endeavouring to evaluate the problem, but this work is hampered by the lack of reliable information.

This and a number of other experiences over the past few years have shown that there are a number of urban areas which are subject to unacceptable levels of flood risk, but for which there is only a general indication of the magnitude of the risks to life and property. There are other areas about which nothing is known at all. A reliable estimate of the average annual costs of flood damage, in dollar terms, cannot be made therefore. According to one estimate, however, potential average damages for South Australian urban areas, after completion of the Torrens River scheme, may well still exceed $5 million per annum. South Australia appears to be unique among the Australian States in not having systematic arrangements for the identification of flood risks. Unless this is remedied it is likely that unacceptable risks and costs will continue to be borne by the community in perpetuity. In fact the risks and costs are likely to increase because, without knowledge of the level of flood risks, there is nothing on which to base development controls to prevent inappropriate new development in high risk areas.

There have been attempts in the past to come to grips with this situation. The major floods which occurred prior to 1940 caused considerable damage in spite of the fact that development in the flooded areas was very much less than now. These floods stimulated *ad hoc* attempts to cope with the problems and their causes, but it was not until 1964 that an attempt was made to deal with the metropolitan problem as a whole. In July of that year, the then Premier convened a meeting of metropolitan council representatives to discuss the need for concerted action by the Government and councils. Following a series of discussions, draft legislation was prepared in 1966 for the establishment of a Metropolitan Floodwaters Control Board with wide-ranging powers over council drainage schemes. The proposed legislation, however, met with considerable opposition from councils. Subsequently, the Highways Department undertook a preliminary survey, on behalf of the Government, on the main drainage needs and costs within the metropolitan area. Following the survey, the Government decided that the responsibility for the preparation and implementation of drainage schemes should be with councils, either individually or, where necessary, as joint authorities.

In 1967, the Government introduced the stormwater drainage subsidy scheme. Under this scheme, in its present form, drainage works receive a 50 per cent State subsidy providing certain requirements are met. The majority of main drainage works are now constructed under this scheme. A re-awakening in the appreciation of the magnitude of the urban flooding problem occurred as a result of investigations in respect of the Torrens River initiated by the Government in 1974. As a result, work is now proceeding on the approved Torrens River flood mitigation scheme, but this scheme is designed to alleviate flooding problems on the floodplain of that river only. It will not therefore deal with other urban

flood risks such as parts of the tributary creeks to the Torrens River or the numerous other flood risk areas, known and unknown, in the metropolitan area and other country towns.

Following incidences of flooding in developed areas of the Mount Lofty Ranges and in metropolitan Adelaide and representations from affected local government bodies and the Local Government Association, a Joint State and Local Government Committee was established with terms of reference to:

Consider the adequacy or otherwise of legislation and related policies for the management of floods affecting or likely to affect urban areas of the State, and for the minimisation of risks to life and property due to flooding. Report, with recommendations, to the Ministers of Local Government, Transport, Environment and Planning, and Water Resources by the end of January 1982.

In undertaking its task, the committee had the considerable advantage of having available to it expertise and experience from the State and local government. This expertise and experience was available by virtue of its membership being drawn from all areas of government with a concern for flood management, from two councils which have been faced with a wide range of flooding problems and from the Local Government Association of South Australia. This gave the committee a unique perspective not duplicated in previous attempts to come to terms with the urban flooding problem.

It came to the conclusion that there are gaps in policies and functions and deficiencies in legislation which, if remedied, would lead to improved protection of the community. The committee further concluded that the flood risks faced by the community are sufficiently severe to warrant the implementation of the appropriate remedies as a high priority task. This Bill gives effect to those recommendations of the joint committee which sought appropriate legislation:

to provide local government bodies with powers to discharge effectively their responsibilities for the management and mitigation of floods, for floodplain and general watercourse management and for the provision and maintenance of drainage works; and

to accord the Minister of Water Resources powers to prepare and issue flow forecasts and flood predictions and to provide appropriate indemnification of the Minister.

The Government initially considered that these powers and responsibilities should all be included within the Water Resources Act and in May 1983 introduced a Bill to achieve this end. After carefully considering subsequent submissions from the Local Government Association, the Government accepted the arguments of the Association in favour of proposed council powers and responsibilities being incorporated in the Local Government Act.

This Bill thus clearly establishes far greater power and authority for local government in the fields of watercourse and flood management and the necessary responsibility for the State Government to identify flood risks and prepare flood risk maps on which local government may base its planning. The need for these powers and responsibilities was again demonstrated by the flood event in the Barossa Valley earlier this year. The greater powers and responsibilities to be conferred on local government are such that a landowner may be required to take action or refrain from action in respect of a watercourse adjacent to or passing through his land. The Bill therefore provides landowners with a right of appeal against any such action of a council other than its exercise of emergency powers.

Such appeals will be to the Water Resources Appeal Tribunal, established under the Water Resources Act, which is constituted to ensure the availability of appropriate expertise, to determine questions related both to the management of surface and underground water resources and to the management of the bed and banks of watercourses and aquifers containing underground waters.

It must be made clear, however, that this Bill does not attempt to resolve the complex questions related to the drainage of rainwater run-off from one property to another. This matter is still being considered by the Government within the context of the need to upgrade the Local Government Act. This Bill deals with watercourse management and of associated flood events only.

Consequential on the amendments proposed for the Water Resources and Local Government Acts there was a need to amend the vesting provisions of the Water Resources Act to take account of the fact that the exercise of certain rights conferred on the Crown will not be limited to the Minister only. The opportunity was also taken to clarify the effect of the enactment of the Water Resources Act on common law riparian rights. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Part II amends the Local Government Act. Clause 3 is formal. Clause 4 amends the arrangement section. Clause 5 provides two necessary definitions.

Clause 6 substitutes a new Part XXXV in the Local Government Act. A council is responsible for the protection of all watercourses in its area, other than those that are proclaimed under the Water Resources Act or vested specifically in some other authority. New section 635 makes it an offence for a person to obstruct a watercourse or to remove rock, etc., from the bed or banks of a watercourse without the authority of the council of the area. New section 636 empowers a council to require a landowner to clear out or repair a watercourse that passes through his land. New section 637 empowers a council to cause clearing out or repair work to be done and to recover the cost from the landowner who failed to do that work when required to do so by the council. New section 638 gives council officers and workmen power to enter any land for purposes connected with the Part, provided they give reasonable notice to the landowner.

New section 639 provides that proceedings for offences against the Part cannot be commenced without the consent of the council concerned, and must be commenced within twelve months. New section 640 gives a council power to acquire land compulsorily for flood prevention purposes. New section 641 empowers a council to take action to avert danger to life or property where a watercourse in its area is in flood, or a flood is imminent. Where a person suffers loss as a result of a council's actions under this section, he is entitled to reasonable compensation from the council, except for loss that would have occurred whether or not the council had intervened. Compensation payable under this section is to be reduced by the amount of any loss the person would have suffered had the council not intervened. A council's emergency powers under this section are excluded by a declaration of a state of disaster applicable to the council's area. New section 642 gives a right of appeal to the Water Resources Tribunal against council decisions under the Part (other than decisions under the emergency powers provision).

Clause 7 re-enacts a section of the Local Government Act to cover certain matters that were included in old section 640 (2), a provision that currently appears rather inappropriately in Part XXXV. Part III amends the Water Resources Act. Clause 8 is formal. Clause 9 amends the arrangement

section. Clause 10 inserts definitions of 'council' and 'obstruction'. Clause 11 re-enacts section 6 without reference to the Minister, and also in a form that makes it clear that common law riparian rights are preserved but are subject to the super-eminent rights of the Crown as set out in subsection (1). Clause 12 effects a consequential amendment to a heading.

Clause 13 inserts a new Part IIIA dealing with watercourses and flood management. New section 40a provides that the Part does not apply to Proclaimed Watercourses or watercourses under the protection of councils. New section 40b defines 'appropriate authority'. The South-Eastern Drainage Board is an example. New sections 40c, 40d and 40e give authorities the same powers over watercourses under their control as councils are given under Part II of the Bill. Division II deals with flood management. New section 40f provides for the preparation of flood risk maps. New section 40g empowers the Minister to publish forecasts of the rate of flow and assessments of the likelihood of flooding in respect of a watercourse. New section 40h exempts the Crown or a council from any liability in respect of the contents of, or any omission from, a map forecast or assessment published under the preceding sections.

Clause 14 effects consequential amendments to section 64 of the principal Act which relates to appeals. Clause 15 inserts a provision in section 70 of the principal Act to empower the Minister to undertake work considered necessary for the prevention or mitigation of floods. Clause 16 gives public authorities the right to appoint authorised officers for the purposes of administering new Part IIIA. Clause 17 is a consequential amendment. Clause 18 provides that the appropriate authority may consent to a prosecution for an offence under Part IIIA.

The Hon. B.C. EASTICK secured the adjournment of the debate.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 2)

The Hon. T.H. HEMMINGS (Minister of Local Government) obtained leave and introduced a Bill to amend the Local Government Act, 1934. Read a first time.

The Hon. T.H. HEMMINGS: 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

It sets out to remove an anomaly which has existed for some time, whereby persons employed as officers in the local government service have not been afforded the same protection against harsh, unjust, or unreasonable dismissal as is afforded employees generally in the State by virtue of the operation of section 15 (1) *(e)* of the Industrial Conciliation and Arbitration Act. This anomaly has been brought about by the fact that the Local Government Act contains specific provisions in Parts IXA and IXAA for inquiries into the dismissal of officers.

The continued existence of these Parts has done little to promote industrial harmony in the local government sphere, a fact which has been recognised by both the employers, represented by the Local Government Association of South Australia and the officers, represented by the Municipal Officers Association of Australia. Both these organisations agree that the Local Government Act is not the proper place for industrial legislation and have indicated their support for this Bill to repeal Parts IXA and IXAA and to make other minor amendments consequential upon their removal in the belief that section 15 (1) *(e)* of the Industrial Conciliation and Arbitration Act is the proper section for dealing with inquiries into the dismissal of local government officers. I commend the Bill to members.

Clause 1 sets out the short titles. Clause 2 amends section 3 of the principal Act by striking out headings that are rendered superfluous by reason of this measure. Clause 3 relates to section 157 of the principal Act. In conjunction with the proposed repeal of Parts IXA and IXAA of the Act, it is appropriate that section 157 be amended to clarify the powers of councils to suspend or remove officers. These amendments are three-fold. First, it is proposed to strike out the word 'remove' and substitute the word 'dismiss'. This conforms with common terminology. Secondly, section 157 (1) *(e)* states a truism and may be removed. Thirdly, it is considered appropriate to take the opportunity to prescribe that suspension may not affect an officer's right to remuneration in respect of a period of suspension.

Clause 4 provides for the repeal of Parts IXA and IXAA. It is proposed that future actions that might have been initiated under these provisions now be dealt with under the Industrial Conciliation and Abitration Act, 1972.

The Hon. B.C. EASTICK secured the adjournment of the debate.

FINANCIAL INSTITUTIONS DUTY BILL

Adjourned debate on second reading.

(Continued from 8 November. Page 1512.)

The Hon. JENNIFER ADAMSON (Coles): I oppose this Bill, and I do so on three grounds: first, that the Government has no mandate to introduce it; secondly, that its introduction breaches a clear undertaking given by the Premier before the last State election that State taxes would not be increased and that no new State taxes would be introduced; thirdly, because it will disadvantage South Australia and the people of this State by comparison with every other State in the Commonwealth.

Mr Groom: Will you repeal it in Government?

The Hon. JENNIFER ADAMSON: The member for Hartley has, like a peevish child, interrupted every speaker in this debate demanding to know whether the Opposition would repeal this legislation in Government. The answer to that foolish perpetual question that the honourable member insists upon asking in an ever-increasing whining tone is that it would be completely irresponsible of the Opposition to answer that question, but there is a further answer to the question and that is that, at the next State election, the people of South Australia will be judging the political Parties not on the rhetoric of the Labor Party, which they will by then have learnt to distrust, but on the record of action of the Liberal Party, which is the only Party in this Parliament to have reduced State taxation in South Australia.

Mr Groom: Are you going to answer the question?

The SPEAKER: Order!

The Hon. JENNIFER ADAMSON: My colleagues have dealt very effectively with the effects of this Bill upon consumers, business services, families, churches, charities and upon a whole range of organisations in South Australia. I do not propose to reiterate what my colleagues have said. What I propose to do is deal with the effect of this tax upon the tourist industry in South Australia, the industry that is recognised by both Parties in this Parliament as being the industry that has a greater capacity than any other to contribute to employment and economic development in South Australia.

The Budget papers indicated that this financial institutions duty would raise an additional $16 million in a full year for the State Treasury, in short, almost $16 for every man, woman and child in South Australia, which makes something of a monkey of the Premier's statements and the statements of his staff that it will barely cost families (not individuals, but families) in South Australia $10 per annum. There has been some miscalculation in terms of the effects of this tax on individuals. The proposed duty of .04 per cent or 4c per $100 on the receipts of all financial institutions with a maximum amount payable on any one transaction of $400 will have a pervasive effect throughout the whole South Australian community. The Bill provides that there is another rate for registered short-term money market operators who are liable to pay f.i.d. in respect of their average daily liability during a month in respect of short-term dealings at the rate of .005 per cent per month of that average daily liability.

The f.i.d. rate that applies both in Victoria and in New South Wales is .03 per cent. Western Australia intends to introduce a rate of .05 per cent. At this stage that leaves Queensland, Northern Territory and Tasmania as what could be described as bank havens in Australia. I have no doubt that people will be flocking to use those bank havens which will result in a consequent advantage to the Governments and the people of those States and the Territory, to the disadvantage of people in South Australia. The duty will be levied on the receipts of all financial institutions. A receipt includes a payment, a repayment, a deposit, a subscription and the crediting of accounts. In other words, the legislation spreads the Government's tentacles to follow a dollar every step of the way through the financial system. It is a repetitive tax. Financial institutions include savings and trading banks, finance companies—

Mr Groom interjecting:

The SPEAKER: Order!

The Hon. JENNIFER ADAMSON: —building societies, credit unions, money market operators, trustee companies, dealers in securities, and pastoral finance companies.

Mr Mathwin interjecting:

The SPEAKER: Order! As I recall, the member for Glenelg has already been warned. He is treading on delicate ground.

The Hon. JENNIFER ADAMSON: It is not surprising that the legislation exempts from duty South Australian Government departments, including the Health Commission, departments of the Commonwealth or another State or Territory, short-term dealing accounts, sweeping accounts and special accounts kept by a bank for a non-bank financial institution and trust fund accounts kept in South Australia by a bank, building society or credit union that is a registered financial institution or dealer in securities. In other words, for the umpteenth time the Government is seeking a special advantage for itself which it will not extend to others. As we have learnt through the research of the Leader of the Opposition and my colleagues, even the churches and charities of this State will not be exempt.

In looking at the impact of this tax on the tourism industry, I want to deal particularly with certain sectors of that industry, namely, the hospitality sector, the travel agency sector and the transport sector—bus and coach tour operators and airlines. In the time available, it has been difficult to assess in quantitative terms the effect that this tax will have on the hospitality industry, notably, on the hotel sector of that industry. But it is important to recognise that annual purchases of wine, beer and spirits in South Australia amount to $164 million. When one looks at the manner in which those funds are treated, the number of transactions that occur and the number of payments made to financial institutions, one can see that a significant portion of the $16 million will be reaped from the hospitality industry.

The difficulty that the industry faces is that the tax will be automatically added by the financial institutions, and hotels will be paying the tax in many cases without an ability to pass the tax on to the customer. If that is the case, gross profit margins, which already are very narrow indeed in the hospitality industry, will be reduced at a time when the industry can ill afford this to happen. I suggest that the Government can ill afford that happening, because the industry is a great employer particularly of unskilled labour, young people and women. The hospitality industry both in the major accommodation sector and in the food and liquor sector, faces a difficulty in that to attract business, prices have been discounted to such an extent that margins are now very low indeed.

Therefore, by increasing charges, because of this new financial institutions duty, because of the liquor tax that is going to hit the hotel industry like an atom bomb on 1 April next year or because of the increased electricity charges that have been operating as from 1 October, those factors will bring immense pressure to bear on operators in the hospitality industry. The only action it can take is to reduce services in order to contain costs and stay in business. That means that on the one hand consumers are at a disadvantage in being provided with a lower standard of service, and quite often a lower quality of goods, and on the other hand the employees in the industry are at a far greater risk of being retrenched. In short, as far as the hospitality industry is concerned, the financial institutions tax is a tax that will further erode the profit margins of operators. Many of the small operators will have their margins eroded in many cases without knowing the cause of that erosion.

In turning from the hospitality industry to the matter of travel agencies, I point out that there are about 100 travel agencies in South Australia which are paid-up members of the Australian Federation of Travel Agencies. There are probably between 220 and 280 operating agents. These agents also are working on very fine margins, and this tax will have a disastrous effect on them. I shall give the House an example of a customer going to a travel agency wanting to buy an interstate ticket on Bankcard for, let us say, about $200 (for convenience I will take a round figure, which in this case is somewhat less than the value of a return trip to Melbourne).

On sales for domestic travel, a travel agent receives 5 per cent commission. On international travel the commission is greater. So, for example, a ticket is sold at approximately $200. Out of that amount an agent would receive $10 commission, if he is lucky (that is, if the fare is not discounted). From that $10 commission, the agent would pay $3 to Bankcard. That leaves $7 for the agent to run the office, pay the staff, process the accounts, pay the rent, process the ticketing, pay the electricity bill (which has increased by 12 per cent as of last week) and cover other costs. Then, in addition to those costs, another 8c is taken off the total for the financial institutions duty. In short, agents will lose money on an interstate ticket. Possibly they could hope to make it up on package tours and overseas tickets but certainly the interstate section of the travel agent market will not be profitable. Indeed, it is scarcely profitable now.

Following that consumer dollar through a travel agent, one finds that for a very simple transaction that dollar will be regarded as a receipt in a financial institution a minimum of three times. Many transactions with travel agents are extremely complicated, and an agent on behalf of a customer in many cases will probably pay a lot of charges ranging from those for passports, visas and other documentation, as well as departure tax and insurance. Let us take the simplest possible route that that dollar takes through a travel

agency: the consumer pays the agency by cheque; the agency banks the cheque, which attracts financial institutions duty; from the bank the cheque then goes to the IATA bank settlement plan. IATA is the International Association of Travel Agencies which accredits agencies, and it has extremely strict rules.

Once a fortnight all agencies have to pay through the bank settlement plan the total value of the tickets they have sold in the preceding fortnight, less their commission (which, for overseas travellers, is 9 per cent and, for domestic travellers, 5 per cent). If an agent does not settle on the exact day of the fortnight, IATA comes along and removes the agent's accreditation. There are no grace days as there are in many other businesses. It is sudden death: if one does not pay up into the bank settlement plan, one is removed from accreditation with IATA.

From the bank settlement plan the cheques or payments would then be disbursed to the airlines, bus tour operators, accommodation houses or whatever service the customer is going to use. So, the consumer travel dollar attracts at a very minimum three financial institution duties. If one considers that there are 100 AFTA members in South Australia (180 or so operating agents) and, if one reckons South Australia's share of the national turnover by travel agents (which is about $2 billion) at 10 per cent, one finds South Australian travel agents' turnover to be approximately $200 million per annum. The financial institutions duty on each of those dollars amounts to $80 000, but every dollar that goes through a travel agency will attract financial institutions duty a minimum of three times. If we multiply that $80 000 by three, we get $240 000. In short, the South Australian Bannon Labor Government is going to extract from the travel industry in South Australia in the forthcoming year at least $250 000.

That is a blow and an impost that the industry will not be able to sustain. There will be one of three results: some of the smaller travel agencies quite possibly will go out of business as they cannot continue to sustain increased costs in a highly competitive market; other travel agencies will reduce the discounts currently operating which are of immense benefit to consumers; and other agencies will simply increase their charges. Either way, the consumer suffers and the industry also suffers, because the name of the game in tourism is to get the visitor from A to B. The services provided at the destination are what in many cases keep local economies going.

Despite the Government's lip service to tourism development, and despite the initial funds it has allocated to marketing, no Government can be said to be supporting an industry when it continues to soak it like this Labor Government is soaking the tourism industry. I stress that a minimum of $250 000 will be extracted from the travel agencies in South Australia in the forthcoming year as a result of the financial institutions duty.

Mr MEIER: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

The Hon. JENNIFER ADAMSON: The bus and coach tour operators are also going to be hit by this tax. It is difficult to assess at this stage the precise effects of the tax but, speaking generally about the way in which these operators conduct their business, one package tour can include a large number of payments. For example, the consumer pays for a single package. The operator who packages that tour may then make up to a dozen or so—possibly more in some cases—payments to the various participators in the package scheme. They could include bus fares, accommodation, meals, inspections (a generic term for specific sightseeing fees), boat cruises, entertainment, air fares and a number of other costs.

The consumer's dollar is going to attract f.i.d. at every step of those payments. The operator, in the first instance, pays the funds into a trust account. He will then pay the bills which I have just enumerated, and the funds will then go into a general account. So, the $16 million is going to seep right through the community. There will be no sector of industry in this State and no individual who will not be affected. It is interesting to read the editorial in tonight's *News* and to note the points made therein.

Members interjecting:

The SPEAKER: Order!

The Hon. JENNIFER ADAMSON: It is the first detailed explanation that has been given. Certainly one could not consider the second reading explanation a detailed rundown of the tax. The explanation on page 6 of tonight's *News* is given not by the Premier who introduced the Bill and who heads the Government imposing this taxation, not by a statutory officer of the Government but rather by a woman economist working in the Premier's Office.

Mr Ashenden: A public servant.

The Hon. JENNIFER ADAMSON: I doubt that she is a public servant—I think she is a political appointee. She has to be an advocate for her boss's dereliction of duty as he obviously did not front up to the journalists—

Mr Mayes interjecting:

The SPEAKER: Order!

The Hon. JENNIFER ADAMSON: —to answer the questions. I find it strange, to say the very least, that it is not the Premier who is explaining to the people of this State what this great fiddle tax (as the *News* so aptly calls it) will mean but rather an economist in his Department, who is not directly answerable to the people but to her boss, the Premier, who has come out of this whole affair, in everybody's opinion, very poorly indeed. The editorial in the *News* makes the point that at last we have some detail on how the tax will work and states:

> But there is another, larger aspect about f.i.d. which is yet another tax on incentive. It should not be imposed at all. But if it must come, the rate should certainly be no higher than that in New South Wales and Victoria.
>
> South Australia's fragile prosperity was built on cost differentials being the other way—it was cheaper to operate here than in the major population centres. The Premier knows this. These are the very arguments he uses in trying to get new investment for South Australia. A differential of one cent in $100 may not sound much. But it was a steady accumulation of straws which broke the camel's back.

The editorial in the *News* states very succinctly the heart of this matter that our prosperity has always been built on having a competitive edge on the other States. We have not had the wealth, the population or the location distant from the major markets in Australia to enable us to build up prosperity any other way than by being lean, efficient and competitive. To get an even break South Australia needs to be better than anyone else. But, what this Government is doing to us is making us less competitive than anyone else and is exacerbating the natural difficulties that we have always experienced by virtue of our location and situation.

I hope that in the Committee stage the Government will realise the error of its ways and will respond to the responsible action by the Leader of the Opposition in attempting to reduce the rate of this taxation from .04 cents per hundred dollars to .03 cents. Any impost of this kind is odious in the extreme, but what this Government has done is betray the trust that South Australians placed in it when they voted Labor in the belief that they would be better off.

It has betrayed the undertakings that it gave to every elector in this State and it has simply sold us out and ensured that the Governments of Queensland, the Northern Territory and Tasmania—that is as long as they retain non-socialist Governments which I hope will be for a very long

time—will attract like a magnet the investment that should be coming into this State.

A Government that had the interests of this State at heart would have seen the advantage that South Australia had and rejected the notion of such a tax and could, in the process, possibly have helped to build up our financial institutions, to develop our banking industry and attract head office capital, which is what the Premier says he wants to do to this State. The prospect of that occurring now is remote. In fact, I believe most of us believe that it is nil.

We have been very badly betrayed indeed. The tourist industry, for which I am an advocate in this House, is getting very worn down in its patience with the Government. It is quite futile for the Government to keep on paying lip service and saying, 'We support the tourist industry; we want tourism development,' when it is slowly and systematically throttling the profitibility of the tourist operators who if given the chance would expand their services, improve their standards, develop a better range of goods, packages of holidays, hospitality and, in the process, expand employment opportunities, not only in Adelaide but throughout the regions of this State.

In the time that I have had to examine the impact of the tax on this industry it has become clear to me that the industry itself, like many other industries, is confused about the impact and unaware of the full implications of the tax. I think the examples I gave in respect of the travel agencies illustrate more clearly than anything else could in such a diverse industry as the hotel industry, for example, that the impact will be severe.

That is $16 million, of which $250 000 minimum will be taken out of travel, out of the pockets of travellers into the pockets of the Government. That, of course, is the crux of all taxation and that is where the Liberal Party and the Labor Party are diametrically opposed. We believe that real freedom for the individual relies very strongly upon economic freedom and the freedom of choice that a person has to spend money how he or she chooses is a freedom that underlies and underpins every aspect of life itself. It enables people to pursue their goals and their aims without control of Governments. It enables businesses to expand in response to market demand, not to contract in response to the ever expanding tentacles of a money-hungry Government which is the only way that anyone can describe the Labor Party in this State.

Members interjecting:

The SPEAKER: Order! I call for order on all sides of the House. Before calling on the next speaker I will take the opportunity of inserting into *Hansard* that the honourable member, in saying that she was the advocate for the tourist industry in this House, was not inferring that she was in any way a lobbyist for that industry.

The Hon. JENNIFER ADAMSON: I rise on a point of order. I believe it should be clear to the House that my responsibility as shadow Minister for Tourism requires me to be an advocate in this House for the needs of the industry. There is, of course, no interest whatsoever of mine, either pecuniary or of any other kind, that pledges me to fulfil that responsibility other than my obligation as a member of Parliament.

The SPEAKER: The only reason that I raised the matter was out of kindness and personal regard for the member, and for no other reason. But, I think that all honourable members might think twice about the matter when they consider just how wide that Act is. That is all I want to say. I call the honourable member for Todd.

Mr ASHENDEN (Todd): I rise tonight to oppose the Bill which is presently before the House. I think the embarrassment which this Bill has caused members of the Government can be seen by the fact that there is only one Minister and one back-bencher presently in this House to defend their Premier against the Bill which he has foisted upon the State of South Australia.

Mr Mayes interjecting:

The SPEAKER: Order! The honorable member for Unley will definitely come to order.

Mr ASHENDEN: It is interesting to note that the member for Unley has interjected on this matter. I point out to the honourable member, who is in an extremely marginal position to say the least in the coming election, if I were he I would use every good office I could—

The SPEAKER: I ask the honorable member to come back to the Bill.

Mr ASHENDEN:—to convince the Premier that he should withdraw the Bill which is presently before the House because it will have such a severe effect on the residents of South Australia that he and many of his colleagues will certainly feel the effect on the electorate at the next State election.

Mr Trainer: Are you going to give—

Mr ASHENDEN: I will be only too delighted to respond to the interjection.

The SPEAKER: Order! The honourable member will resume his seat immediately. He may be only too delighted to respond to interjections but the Chair rejects that. I call the honourable member for Todd.

Mr ASHENDEN: I point out to the House that shortly before I came here to speak on this matter I received a telephone call about the financial institutions duty. I am sure that members opposite have had just as many phone calls to their office as I have had on this matter. If they have not it would only be purely and simply because the residents of South Australia probably believe that in approaching members opposite on this matter they might as well talk to a brick wall. The person who phoned me lives in the present seat of Newland, which is held for the Government by one of its members. That person rang me to express extreme concern. He said that he had phoned the member for Newland to try to discuss with him the implications of the financial institutions duty, but that he had been told that it was a Government measure and it was—

The SPEAKER: Order! I am asking the honourable member for Todd to come back to the Bill, not to discussions second or third hand between himself, some unknown party and allegedly the present member for Newland.

Mr ASHENDEN: I point out to the House that I have been contacted by a resident of South Australia expressing extreme concern at the actions that this Government has taken on the financial institutions duty. He has pointed out to me, as a member of the Opposition, that it was pointless for him to telephone a member of the Government because that Government member was totally disinterested in discussing with him the implications of the financial institutions duty.

The SPEAKER: Order! Order! I ask the honourable member for Todd to come to order for the second time. I do not intend to tolerate this sort of behaviour. I ask the honourable member to return to the clauses of the Bill. The honourable member for Todd.

Mr ASHENDEN: Mr Speaker, with due deference, I am referring to the financial institutions duty and its effect on the residents of South Australia, and the fact that this Government has introduced a Bill which its members are not prepared to discuss with members of the public.

Mr Mayes: That's rubbish!

The SPEAKER: Order! Also the honourable member for Unley will come to order.

Mr ASHENDEN: The honourable member for Unley is interjecting inferring that the person who telephoned me less than a quarter of an hour ago is a liar: that is not the case.

The SPEAKER: Order! Order! Order! I ask each honourable member to resume their seat. I will not continue to tolerate this behaviour. I ask the honourable member for Todd to deal with the Bill before the House, and not with the member for Newland or infighting in the mid-northern region. The honourable member for Todd.

Mr MAYES: I rise on a point of order.

The SPEAKER: The honourable member for Unley.

Mr Ashenden: You're embarrassed, are you?

Mr MAYES: I am not the least bit embarrassed.

Mr Ashenden: You ought to be.

The SPEAKER: Order! Order! The honourable member for Unley.

Mr MAYES: I would ask that the member withdraw those comments about members on this side of the House not being prepared to discuss the financial institutions duty with members of the electorate, of their own electorate or with other constituents in the State. That was a clear inference given in his statements and my comment was that it is not true.

Mr Ashenden: It is absolutely true.

Mr MAYES: I ask that the honourable member be asked to withdraw those comments.

Mr Mathwin: There is nothing unparliamentary in those remarks.

The SPEAKER: Order! There is no point of order. However, I point out that the whole thrust of the honourable member for Todd's address was becoming distinctly unparliamentary, and the use of the word 'liar' in the context in which he used it could almost have suggested something that he did not intend, or at least I hope he did not intend. The honourable member for Todd.

Mr ASHENDEN: I want to make it quite clear, in deference to the Chair, that the interjections by the member for Unley made it clear that he was indicating that the statement that I was giving was not correct, and I wish to have it recorded in this House that I have been telephoned by a member of the public who has approached a member of the Government Party in an attempt to discuss the financial institutions duty and was told by that member, who is the present member for Newland, that he was not interested in discussing this matter: it was a Government measure and that was all that mattered.

The SPEAKER: Order! I warn the honourable member for Todd.

Mr ASHENDEN: Could I ask why you have warned me because I can only feel—

The SPEAKER: Order! Order! The honourable member will resume his seat.

Mr Ashenden interjecting:

The SPEAKER: The honourable member will resume his seat. I am warning the honourable member because on at least three ocassions now I have told him to address himself to the matters relevant before the Chair. The honourable member has continued to refer to an alleged telephone conversation between the honourable member for Newland and an unknown constituent and, in the course of that, has made remarks that could be taken and would be taken by some persons as disparaging. Quite clearly the honourable member for Todd should resume his remarks with a view to getting on to his discussion of the Bill.

Mr ASHENDEN: I will not resile from the point that the members of the public are extremely angry at the actions that this Government has taken in introducing a Financial Institutions Duty Bill before this Parliament. They are so angry that they are telephoning not only members of the Opposition but also members of the Government, and they are extremely frustrated because when they are trying to put to members of the Government the fact that they are concerned about this Bill, that it is an iniquitous Bill, they are not being given the due courtesy that should be proffered to them. The point is, Sir, that I can only interpret the interjections of the member for Unley that he and everyone else in the Government Party are totally afraid of the Bill which their Premier has brought before this House and I am staggered at the protection that is being offered in relation to the attempted discussion I am trying to bring before this House in relation to the effects that this Bill will have on the ordinary people of South Australia.

Mr Speaker, I will say again that I have been contacted by a member of the public who is extremely frustrated because he has not been able to put to the Government a point which he, as a resident in a Government member's electorate, is totally entitled to do. I point out to the member for Unley, and all members of the Government, that this Bill presently before the House will have a disastrous effect on all of the people of the State. I defend the right of any member of the public, if he cannot put a point to a member of the Government, to contact the Opposition so that his point and his voice can be expressed in this Parliament. I will not resile for one minute from the fact that I am prepared to stand up and fight for the people not only in my electorate but for those unfortunate enough to live in an electorate presently held by a Government member who is not prepared to stand up to his Premier and have his Government change legislation which every newspaper, radio station, television station and every thinking person in the public knows is a Bill which is totally iniquitous, despite the grandiose statements of the Premier that it is a very good tax. What words to describe the first new tax in South Australia for 10 years! The Premier has the gall to stand up and say that it is a very good tax. I suggest to the Premier that he talk to the residents of Todd and to the residents of Newland (because they cannot talk to the member for Newland) and find out what the real people of South Australia feel about this Bill before the House. It is a totally iniquitous tax, and one that should never be introduced. I hope that the Government has the common sense before this night is over to withdraw this Bill.

Mr Mayes interjecting:

Mr ASHENDEN: The member for Unley has interjected again, the member for Unley who will only be here for another two years at most because I can assure the member there will not be a 2 per cent swing, a 4 per cent swing, but about a 10 per cent swing against this Government if it continues in the manner in which it has—

The SPEAKER: Order! I ask all honourable members to come to order. The honourable member for Todd.

Mr ASHENDEN:—when this Government goes to the people. I can tell the member for Unley that I will be only too pleased in the next election to stand for the Liberal Party because I know full well—

Mr Groom: Will you stand for Todd?

Mr ASHENDEN: I am in the fortunate position where I have a choice, unlike the member for Unley who has been told where he will stand in no uncertain terms. I am fortunate enough to have the choice of two very good seats, and I will be looking at those very closely.

As far as the f.i.d. is concerned, it is a tax which will hit every resident of South Australia. It will not only hit the taxpaying adults of this State, as my Leader pointed out yesterday, but it will hit the poor unfortunate child who has a bank account and who is trying to save his cents and dollars for future use. This Government is introducing a tax which will be a tax on a tax on a tax and so on *ad infinitum*. To give an example, every member of Parliament

who is here tonight is paid by the Government, and that money is placed directly into each member's bank account.

When our salaries are placed into the bank account, it will be taxed. If we happen to have a credit card account not only will we be taxed when we incur a debt on that credit card account, but we will be taxed when we pay that credit card account. We will pay a tax when the money is put in our bank and we will pay a tax when using our credit cards. We will pay a tax when we pay for our credit cards and we will pay a tax when paying mortgages. Unlike members opposite, I am not in the financial position where I can afford to buy a home without a mortgage. I have a mortgage and every time I make a monthly payment on my mortgage, I will be taxed, and so will virtually every resident in the electorate of Todd. Most of those people are just like me: they are struggling to buy their own homes and every time they go to the bank to pay off some of their mortgage, they will be taxed.

Mr Mayes: Are you going to repeal it?

Mr ASHENDEN: Listen to them squawking from the other side of the House. I want it recorded in *Hansard* that the member for Unley specifically supports his Premier in the tax being brought forward, and I certainly hope that the Liberal candidate for Unley when the election campaign is on will place before the residents of Unley the record of this speech to show the residents of Unley that their present member totally supports his Premier and the action that he is taking in introducing this new tax in South Australia. Let us make no mistake about it: the member for Unley and other members opposite will long live to regret the action which the Government has taken and is taking tonight.

I will now address the effect that this tax will have on South Australians. I have already shown only too clearly the effect that it will have on the ordinary wage earner in this State: but not only that, it will have a major effect on churches. My Leader has already pointed out, for example, that it will cost the Roman Catholic Church between $20 000 and $30 000 a year. It will cost the Uniting Church about $40 000 a year, and all the subsidiaries within those churches and the missions will have to pay additional tax. All the Premier has said in relation to the points which my Leader made yesterday was that he would consider possibly amending this part of the Bill if (I like those words reported in the *News*) it can be shown that this duty would have a bad effect. If they think that churches are so flowing in money that $40 000 or $50 000 from their income will not have an effect, I just do not know in which world this Premier is living. The integrity and credibility of this Premier has long been zero. I guess that he is working on the theory that, no matter what he does now, the people of South Australia cannot think any less of him.

However, I repeat the points made by so many of my colleagues, that we have before us the first Bill in 10 years (and the Premier then was Mr Dunstan) which introduces a new tax measure into this House by a Premier who said prior to the election in 1982 that, if he were elected, he would introduce no new taxes, and not only that: he would not increase any taxes either. Of course, we have already seen 72 taxes and charges increased and four new taxes and charges introduced in South Australia already.

Mr Mathwin: He said in his full term.

Mr ASHENDEN: That is right, he said that he would not do it at all in his full term. If he has done this in one year, how many taxes and charges will be introduced and by how much will they be increased by the next election?

Mr Mathwin: It makes your heart pound.

Mr ASHENDEN: If I were a member of the Government my heart would be pounding because I would know full well that, unless I had a majority of at least 10 per cent, I almost certainly would not be returning to this House at the next election. I want to make this point: I have been staggered at the response I have had from my electorate during this last week. Until this last week I have heard mutterings and mumblings about what this Government has done in relation to increasing taxes and charges. However, the straw that broke the camel's back was announced last week: that was the increase in electricity tariffs. Then the *coup de grace* as far as this Government was concerned was the announcement and publicity this week about the financial institutions duty.

I point out to Government members that I have never in the four years I have been in this House had so many telephone calls not only from people in my electorate but also the electorate of Newland pointing out how angry they are about the recent electricity increases and what the f.i.d. will do to South Australia. Members opposite can pooh-pooh that and say that that is rubbish. They can delude themselves as long as they like, but the point I am trying to make is that this Government does not realise what it has taken on. The people of South Australia are extremely angered at the new f.i.d.

Mr Mathwin: He sent a docket around to them all.

Mr ASHENDEN: I understand that the Premier has sent out a letter to all his back-benchers trying to give them some answers which they could use when people telephone in anger. Perhaps he should have sent it to the member for Newland, because he obviously did not use it for the constituents who telephoned me tonight.

The Hon. D.C. Wotton: He didn't send it to the Liberal members.

Mr ASHENDEN: He would well know that the Liberal members are well aware of the disadvantage this tax will cause and that obviously we do not need any help in talking to members of the public. I notice that one of the back-benchers is shaking his head, namely, the member for Price, but he probably feels safe because he will not come back next time anyway. If I were a Government back-bencher, I would be shaking my head too in sadness and disgust. The next member for Price does not know what he is in for. I think that the chap who sent the letter throughout Port Adelaide certainly knew what he was doing. I think we can say that that gentleman was quite right. Let us consider the effect of the f.i.d. on South Australia.

The Hon. J.D. Wright: Make up your mind on your seat in Parliament.

Mr ASHENDEN: The Deputy Premier was not here earlier, so I had better repeat for his sake that I am in the fortunate position of having two very good seats in which to seek preselection.

The Hon. J.D. Wright: I don't think you would win either of them.

Mr ASHENDEN: I am willing to talk to the Deputy Premier afterwards.

The SPEAKER: Order! The honourable member will resume his seat. I have already ruled on this matter several times and my patience will finally be exhausted. This is not a debate on preselection in the mid-northern metropolitan regions, and the sooner that the honourable member for Todd, and everyone else for that matter on both sides of the House, gets back to the Bill the better.

Mr ASHENDEN: I will return to the Bill because there are so many issues about the Bill in relation to which we can criticise the Government. I can certainly utilise the remaining nine minutes without any trouble at all. Again, I point out that only one Minister and two Government back-benchers are present, which I think shows only too clearly the embarrassment which those members feel in relation to the Bill before the House. The financial institutions duty is yet another of the 72 increased taxes and charges and four new taxes and charges introduced by this

Government. Along with the taxes and charges which the Federal Government has increased, it has been stated that, because of impositions like the financial institutions duty, the major cause of inflation in Australia is purely and simply increased taxes and charges by the Federal and State Governments.

Wages have been pegged for 12 months. The only factors placing a demand on the economy of this country are the taxes and charges increased by the socialist Governments in South Australia and federally. I believe that that is not being overlooked by members of the public of South Australia. They know only too well that their wages and salaries have not been increased for 12 months. However, whilst that situation applies, this State Government alone has introduced so many new taxes and charges and increased so many taxes and charges that an ordinary family is forced to pay in excess of $14 a week more in State taxes and charges than it was when this Government came to power. Is it any wonder that the people of South Australia are so angry and bitter about the misleading statements made to them before this Government came to power?

I cannot understand how members of the Government can stand up in front of people in their electorate and defend before their constituents the action which their Government and their Premier has taken. If this had happened to me as a Government back-bencher I would have been more vocal than have been any of the Government back-benchers. If the Deputy Premier wants to tell me I can put my money where my mouth is, I would point out that I unhesitatingly criticised the previous Federal Government when it did not take action which I believed was necessary in relation to protecting my constituents when they were suffering so much from the increases in interest rates. So many of my constituents are buying their own homes that I had no hestitation in criticising the then Federal Government in relation to its lack of action in that area. Here we have a situation where the people of South Australia are being crucified in the drive of this Premier to get more and more money into his coffers.

Mr Mathwin: It is a lust.

Mr ASHENDEN: I would agree that it is a lust; it has reached that stage, because the Premier and his Ministers have shown very clearly that they have never had experience of private enterprise, and it would do them the world of good to go out and either work in businesses of their own or work in private enterprise in order that they may realise that, when the books do not balance, the automatic answer is not to just raise taxes or introduce new taxes. The answer is to have a jolly good look at your own operations and to cut your cloth so it does suit the situation in which you find yourself. The point is we have a Government here which has increased the size of the Public Service while private enterprise is being forced to decrease its work force.

Mr Mathwin: The Ministers have overspent.

Mr ASHENDEN: The Ministers have overspent by more than $24 million in the very short time they have been there, and this Government is expecting the people of South Australia to pick up the bill for its mismanagement. It is absolutely incredible, and the Government expects the people of South Australia to wear it. This duty, which in the Premier's own words is a 'very good tax' has been forced on the people of South Australia and they are expected to say, 'Well, Mr Bannon, of course it is a very good tax. We do not mind paying all this extra money on top of all the rest of the taxes and charges you have increased. Anything you say. We do not expect you, Mr Premier, to look at the way Government is run. We do not expect you, Mr Premier, to try to cut costs. You keep asking us and we will pay.' That is obviously what this Government thinks of the people of South Australia. The people of South Australia will not be hoodwinked much longer. They know only too well they have a profligate Government, a Government that cannot and will not control its Ministers at the expense of the people of this State.

The Hon. J.D. Wright: When will you repeal it?

Mr ASHENDEN: I did not hear the interjection from the Deputy Premier.

The Hon. J.D. Wright: When will you repeal it?

Mr ASHENDEN: The point I would make to the Deputy Premier is that the Premier had the gall to say earlier today that the members on this side of the House are asking the Government to spend money in their electorates. Of course we are, because we are a lot closer to the people than this Government obviously is and we know that the priorities of this Government are totally wrong. The Government should be weighing up how and where it is spending its money. It is not spending its money in the manner which is of most benefit to South Australia.

Mr Mayes: You'd sack 2 000 public servants.

Mr ASHENDEN: Listen to the garbage from the member for Unley. We have never dismissed any public servant and we never will.

The SPEAKER: Order!

Mr ASHENDEN: I make the point again that the Government cannot continually criticise members on this side for asking for money to be spent in their electorates.

The Hon. J.D. Wright: You are.

Mr ASHENDEN: Of course we are, because we can set our priorities, which is more than the present Government can do. The point is that it is wasting money. It could spend its money far more effectively and far more efficiently than it is; in other words, because we are asking for money to be spent in our electorates that does not mean that there have to be further increases in taxes. All this Government has to do is save the $24 million which this Ministry has overrun. It does not have to employ new public servants. It has to spend the money where it is important and what this Government must realise is that it cannot regard the taxpaying public of South Australia as a bottomless pit. The public has a limit to the amount which it can afford to pay. It has not only reached that limit, but it has passed that limit. This Government will not listen, and that is why the public of South Australia is so frustrated.

All this Government has to do is to learn business control, something which it knows nothing about and that is perfectly obvious by the way this Government has been performing. It has to learn to set priorities and it has to learn where it should be spending its money. It should not be simply saying, 'We need more money. Let us raise taxes. Let us introduce new taxes.' It has done a Cain and it has done a Wran, in spades, because not only has it introduced a new financial institutions duty, but it has introduced one which is 25 per cent higher. Is it any wonder that business is leaving South Australia and that other businesses are refusing to come to this State?

The SPEAKER: Before calling on the next speaker I want to make one indication and it is this, and I would make it in respect of any honourable member. The honourable member for Newland, who was referred to numerous times in the opening remarks of the honourable member for Todd, is ill, so I am told, has been granted a pair on that ground by Her Majesty's Opposition and is not here to defend himself. The honourable member for Morphett.

Mr OSWALD (Morphett): I would like to congratulate the member for Todd on an excellent presentation. He clearly stated the anger of the constituents in his district. I would follow and say that the constituents of Morphett are equally angry about this tax being imposed upon them. They are hostile and angry and they have every right to be.

When the Premier announced the introduction of this new revenue raising measure, I believe he shot to the four winds any semblance of credibility he may have possessed. I well recall the night of the election at the Festival Theatre when he went on the platform with all the razzamatazz of a presidential campaign with orchestrated applause. It was all rehearsed beforehand. He let fly with the famous policy speech.

The Hon. J.D. Wright: You were not even at the Festival Theatre.

Mr OSWALD: Never mind where it was. We saw it on television.

The Hon. J.D. Wright: You're good, you blokes!

The SPEAKER: Order!

Mr OSWALD: He made these promises. I well recall the follow-up of those promises: a document was placed in all the letter boxes in my electorate. It itemised all the promises that he alleged he was going to implement in South Australia, promises which are being broken almost weekly. I would like to refer particularly to the promise in relation to taxes. This is a promise of the Premier to the people of South Australia and one of the reasons why he wished to be elected as Premier of this State, and it reads:

> We will stop the use of State charges like transport fares, electricity, water and hospital charges being used as a form of back-door taxation.

I ask you, Sir, in hindsight what credibility can a Premier have when he puts that document in the letterboxes of my electorate? I am sure that document was spread elsewhere around metropolitan Adelaide. The document goes on:

> The A.L.P. will not re-introduce succession duties or death duties.

We are pleased about that, but I have no guarantee that it still will not happen. The document goes on:

> We will not introduce new taxes.

That is a clear unequivocal promise, 'We will not introduce new taxes.' Where can the Premier's credibility stand in the eyes of the public of South Australia if he introduces into this House this financial institutions duty?

If I may I would like to spend a few minutes reading into *Hansard* brief extracts from press statements made by the Leader of the Opposition, statements which I believe cover the period since 7 August up until now and help to paraphrase the position with which the taxpayers of South Australia are confronted. A statement was made on Sunday 7 August as follows:

> Increases in taxes and charges since the last State election will cost the average South Australian family an extra $12.50 a week. Giving this estimate today the Liberal Leader, Mr John Olsen, said the increases would produce further inflationary pressures and put people out of work.

I think it is interesting in hindsight to refer to some of these press releases and to see, as we move further down the track, how much reality is starting to evolve from what was speculation at the time of the press releases. The statement continued:

> South Australia already has the highest inflation rate in Australia.

During the time of the Tonkin Government, between 1979 and 1982, South Australia became the lowest taxed State in the Commonwealth. It has taken only 10 months to revert back to becoming the highest taxed State and the inflation capital of the Commonwealth. That is a very dismal record indeed for a Government that purports to be a Government which is a champion of the people. That philosophy is a lot of nonsense: anyone putting that abroad is simply deceiving people. The press release continues:

> The tax package announced last Thursday by the Premier will cost the average family an extra $6 a week based on the full year cost of the measures of $84 million. These measures come on top of a range of significant increases in charges which will touch every South Australian family. Since last November, water and sewerage rates, bus, tram and train fares, electricity tariffs and hospital charges have all increased significantly. These increases will cost South Australians about $90 million in a full year. The total cost of tax and charge increases since last November is $174 million, or about $12.50 a week for the average family of five.

That is not bad for a Party which 10 months earlier went to the people and promised that there would be no introductions of new taxes and that it would not use State charges such as those for transport fares, electricity, water and hospital charges, and so on, as a form of back-door taxation. That was utter hypocrisy and quite unequivocal deception on the part of the Labor Party in its attempt to deceive the public purely for electoral gain. That is all it was. The press release continues:

> This is the price South Australians are going to have to pay for electing a Party which promised at the last election that it would not increase taxes.

On 9 August the following statement was made:

> 'The Premier failed in Parliament today to rule out the possibility of further increases in taxes and charges later this financial year,' the Liberal Leader, Mr John Olsen said.

He was still sticking to his guns about the fact that the Government would not be increasing taxes and charges. The Leader of the Opposition continued:

> Although I asked the Premier a specific question about the possibility of further revenue raising measures, he failed to give a commitment. The Government is already planning to increase its revenue by $174 million in a full year through the imposition of a series of increased taxes and charges which will hit every South Australian.

Of course, I can well recall when the Government hit us with the Business Franchise (Petroleum Products) Act which made provision to extract a tax on petroleum by an Act of Parliament. It was a taxation measure. It was spent on road construction and maintenance, which was fair enough. But what did this Government do? It immediately turned around and taxed it and provided for that money to be shifted sideways across to general revenue, purely as a revenue measure, which was not what the money was intended for. Once again, this was a deceptive revenue raising measure instituted by the Government which claimed before the election that it would not raise taxes to raise revenue. A news release of Wednesday 10 August stated:

> In State Parliament later today, the Opposition will attempt to amend the Government's legislation which increases the price of cigarettes by about 18 cents a packet.

That was another impost, even though it had been claimed that that type of revenue raising measure would not be used. A news release of 11 August stated:

> The Liberal Leader, Mr John Olsen, today revealed that the State Government has taken action which could increase electricity tariffs by an additional 6 per cent this financial year. Mr Olsen said the Electricity Trust's interest repayments on loans outstanding to the State Government would be almost doubled, following a Cabinet decision on 25 July.
>
> 'This will increase the Trust's costs by $12.3 million this financial year,' Mr Olsen said. 'This measure will mean an increase in tariffs of up to 6 per cent, if the Trust is to recover the cost of the higher interest rate this financial year.'

Once again, that was an insidious form of back-door taxation. There is no other way of describing it. The news release continued:

> The Government's bill to the Trust will have to be picked up by all electricity consumers.

That was done with clear intent. There is no doubt that the Government intended to do that. By 24 August we were starting to link in the actions of the Government with the actions of the other socialist Government in Canberra, the Hawke Government and to look at the combination of the two Governments, both of which came in on promises in the tax area. A news release of 24 August stated:

> Increases in taxes and charges imposed since the election of the Hawke and Bannon Governments will cost the average South Australian family buying a home almost $30 a week. The Taxpayers

Association estimates that the combined impact of Canberra's mini Budget in May and last night's State Budget will cost the average family buying a home about $16 a week.

That is not an inconsiderable amount to a family battling to make ends meet in a very tight budgetary situation. The press release continued:

In addition to this, the Bannon Government has increased a range of State taxes and charges since its election which will cost the average family about $12.50 a week. This includes electricity tariffs, water rates, public transport fares, hospital charges and the price of cigarettes, beer, wine and so on.

We are all familiar with the taxes that the Government chose to impose as revenue raisers for the Treasury despite, as I have said, the clear election promises made by both Mr Hawke and Mr Bannon in their pre-election speeches. On 1 September the following statement was made:

South Australians will be in for another round of significant rises in State taxes and charges next year. This is inevitable because of the record deficit of more than $68 million at the end of this financial year estimated by the Premier in his Budget today.

It means that the massive rises in taxes and charges contained in this Budget are only round one from the Premier . . .

That was in regard to the imposition of taxes and charges on South Australians. I could go on referring to these statements. We have a bin full of press releases, each of which tells a revealing story about the track record of the Bannon Government since it came to power, telling the public what it intended to do regarding taxes and charges and its programmes in South Australia. The story is slowly unfolding, as we see them ducking and weaving, as they are doing here tonight, attempting to make the public believe that the financial institutions duty is a one-off measure or a measure that has been forced upon the Government because of a deficit that it did not really believe it inherited.

I believe that nothing will convince South Australia that the Premier did not intend to introduce a financial institutions duty at some time during his term in office. The Bannon Government is a Government of deception. I am sure that the public now realises that. That has certainly been indicated by the calls to my electorate office. I am sure that it is also showing up in the telephone calls to the member for Todd, a matter to which he referred a few moments ago. Last year we saw the Cain Government swept to power in Victoria using the same 'no tax rise' promise. That Party went to the people and John Cain said, 'Elect us, we will not raise taxes.' As soon as he got into office he suddenly found that he had a deficit on his hands, of which he claimed he had no knowledge.

Mr Ashenden: Bob Hawke, too.

Mr OSWALD: Yes, the member for Todd mentioned Bob Hawke. He is quite right, and I will be reminding the House of that matter shortly. The Cain Government is a classic example of a Government that will come to office with utterly deceptive intent and say, 'We did not know we had a deficit, suddenly we have got a deficit and we have to increases taxes', when, in actual fact, it is a socialist Government dedicated to high taxation, big government, and big spending. The only way a Government of that persuasion can survive is by increased taxes.

If a person is true to his political philosophy and says that he is part of a Fabian socialist Government and that it believes in big government spending because it has services that it wants to implement, that is all right because they are being true to their philosophy. However, I am a conservative, a small government and small taxation politician, and I believe in the Liberal and conservative side of politics. That is my philosophy, and I do not mind saying in public that my aim is to reduce taxes, have small government, and put out as much work as I can to the private sector. I am not ashamed to say that. However, it riles me that Labor members in their deception are frightened to get out and say that they are Fabian socialists and that they believe in a big spending and high taxation government. Why do they not get out and say that to the public? Members opposite are frightened to say that they would like to put up State taxes and charges, because they are frightened of the electoral impact. I am right, otherwise we would have heard a long time ago from the Premier about what he intends doing with taxation in this State.

Mr Ashenden: Without fudging too.

Mr OSWALD: Yes, they are fudging.

Members interjecting:

Mr OSWALD: I am not the Government of the day. The Government has the responsibility to run the State. I have a clear philosophy on how I would run the State. The Tonkin Government, which I supported, did not sack one individual in the Public Service. By attrition, one can reduce the numbers in the Public Service and make certain managerial economies that do not require the sacking of men or women in the work force. One does not need to sack them—one can do it by good solid management.

Members interjecting:

Mr OSWALD: Members opposite are interjecting only for the sake of interjecting. They know that I am right, and they know the policy works, because David Tonkin made it work. He managed to reduce the Public Service without being accused of sacking one individual. If members opposite can find us one individual who was sacked by the Tonkin Government, I will stand up and eat my words.

Mr Mayes: I will take you out and show you.

Mr Ashenden: Just name one!

The ACTING SPEAKER (Mr Whitten): The member for Todd has made his speech. He will allow the member for Morphett to make his speech without his assistance.

Mr OSWALD: I do not mind the honourable member giving me moral support, as I have great affection for the honourable member in the work he does in his electorate.

Members interjecting:

The ACTING SPEAKER: However, the Chair does mind.

Mr OSWALD: Referring again to Premier Cain, as soon as the shouting and celebrations had died down over there the Government turned around, gave Victoria a hefty dose of increased taxes, and started implementing socialist policies which were geared up at the State Convention of the A.L.P. They were in the wings ready to go. The same thing happened here—the State council or convention had the policies worked out. As soon as the Party came to government we had a change of direction, and now we have got it on our hands. The Western Australia Government also did it. This Government sent someone from the South Australian Labor Party over there to give advice on the Western Australian campaign. The Minister on the front bench smiles. Members opposite can be proud of it as they had a campaign machine that worked here. The Prime Minister did the same thing and won the national election. Only time will tell.

It is interesting to look back and compare the two philosophies. It is interesting to recall that, in the three years prior to 1979, South Australia lost 20 000 jobs under a Labor socialist Government. When we came into office we were the highest taxed State. During three years in office the Tonkin Administration checked the job loss, went against the national unemployment rise at a time of drastic international recession, and reduced South Australia to being the lowest taxed State in the Commonwealth. Now we have reverted once again to being the highest taxed inflation capital of the Commonwealth. The Government cannot argue on that. The only slight argument or variation could be on the way that John Cain is performing in Victoria. We are neck and neck and it will be interesting to see whether the people of Victoria or the people of South Australia become submerged first. We are all heading down the same

track. It worries me greatly when I contemplate the next move with State taxation as it will not stop with the financial institutions duty.

I ask members to cast back their minds to the A.L.P. State Convention in June when it gave the South Australian Government the backing to examine a range of revenue-raising measures—not just f.i.d. but capital gains tax, death duties and land tax. It gave the green light to the consideration of those other tax raising measures. That was only in June of this year and should not be forgotten by the people of South Australia. The f.i.d. is in.

I now refer to an *Advertiser* report on part of that conference, particularly to a statement delivered by the Premier in a strongly worded 'pro tax rise' speech. It was designed to overcome the resistance building up at the conference from certain right wing elements of the Party present who were opposed to a tax rise. They were looking to get in to run a high deficit; they were opposing a tax rise. However, the Premier won the day. The report was contained in the *Advertiser* of 14 June under the headline 'A.L.P. backs South Australian tax review', and in part stated:

> In his strongest speech to the convention at the Trades Hall, he [the Premier] successfully defused attempts by some delegates to force the Government not to raise taxes and to run to a $200 million deficit . . . He seconded a 'toned-down' motion which removed any specific Budget deficit figures and referred a range of taxation measures to the planned State revenue raising inquiry. Measures referred to the inquiry under the new A.L.P. policy will include introduction of a progressive State-raised income tax.

That is interesting. It also refers to the financial transactions tax which has now been placed upon us. The article continues:

> . . . land tax on high-value properties, the removal of payroll tax, an effective tax on wealth and capital gains and a succession duty 'on the rich only'.

I do not know how one defines 'the rich only' but such throw-aways are not unusual with socialist Governments when many of the champagne socialists opposite would themselves immediately come under that definition. But it is interesting to see how they must have a go at the 'rich only'. The article continues:

> The amended motion calls on the State Government to develop urgently an 'expansionary economic' strategy.

If that is not taking socialism to the extreme, I do not know what is. The member for Hartley could advise the Minister on that subject, because I think he is fairly knowledgeable on that aspect of Labor philosophy. The article continues:

> It requires the Government to, within the created capacity for deficit, undertake a job development strategy, provide money for job development in the public sector, fund South Australian research into new products and techniques and finance education and apprenticeship training. Mr Bannon, who has been facing increasing pressure, particularly from the Public Service unions, to extend the Government's job programmes despite the deficit, asked the Labor movement to give his Government time to develop the capacity to carry out its programmes.

I read that last sentence only because what he is saying is—

Mr Groom: Tell us your policy.

Mr OSWALD: The honourable member should have been here 20 minutes ago, when he would have heard me explain my philosophy at great length. I suggest that he read *Hansard*. He would have been delighted, because at last the member for Unley was able to draw me on an interjection on my philosphy for the future development of South Australia as a Liberal conservative. I am aware of the honourable member's philosophy on socialist policies. He can now pick up *Hansard* and read what my policies are all about. But the point in this extract is that all the Premier said was that he wanted time to develop the capacity to carry out the programmes he had undertaken, referring to the resolution of the past which clearly stated that he wanted to introduce progressive State income tax measures, including financial institutions duty, land tax on high income value properties and effective wealth, capital gains and succession duty. If anyone hears from the Labor Party that it is not considering further taxation, I suggest that once again the Labor Party is not being very honest with the public.

Clearly, I am opposed to the concept of this Bill. The Leader of the Opposition is proposing amendments, and I will certainly support those amendments. I suggest that this Bill will have an impact in quite a few areas of the financial community. It will affect the unofficial short-term money market. Unfortunately, a lot of members opposite may not know anything about the unofficial short-term money market. If they do not they can take advice from their colleagues, but it will have a vast effect on that market, particularly as millions of dollars change hands daily as properties, and the like, are financed.

I suggest that if short term money does not become available to many members' constituents they will suddenly find that if they wish to purchase a property and money is not available quickly they may lose the property and other moneys they may have invested. Also, I think my Leader has already pointed out that there is a need for more time for the financial institutions to set up their computers. The Leader is reported in today's *Advertiser* as saying that certain banks needed more time to get themselves geared up.

As to the matter involving credit unions, I give an example of teachers' salaries. The Minister of Education is not here, but maybe someone can tell him that teachers' salaries are paid into a specific credit union, SATISFAC. There is an account in that credit union for savings purposes, drawing cash, or obtaining a home loan, and there may be an account for another purpose.

Mr Groom interjecting:

Mr OSWALD: The honourable member ought to listen, he may learn something. The money is paid by the pay office into the first account. There goes the first 4c, and then every time it goes across the account it hits 4c. If $300 is paid in and involves, say, five movements, something like 60c comes out of that.

Mr Groom: What would it be on .03c?

Mr OSWALD: You work it out for yourself. I have only two minutes left to try to conclude. Then there is the impact that this tax will have on churches and charitable institutions. That impact is utterly shameful. I wish I could speak for another half an hour on the impact of this financial institutions duty. It is interesting to note, apart from the fact that we have only one Minister and two members of the Government in the Chamber, they are in hysterical laughter at the impact that the financial institutions duty will have on churches and charities.

Mr Ashenden: They think it's funny.

Mr OSWALD: The honourable member is quite right: they think it is funny. They think it is one great joke. I am utterly shocked that members opposite are so light hearted in their attitude to imposing a tax which will place an extraordinarily real burden on charities and other institutions in this country. They, like their colleagues, should stand condemned for introducing it.

The Leader of the Opposition has amendments on file, which I will support. In conclusion, I say the Government stands condemned for introducing another tax when it made a clear and unequivocal election promise that it would not introduce new taxes or charges as a form of back-door taxation. It is a deceptive Government, and it does not deserve to hold office in South Australia.

The Hon. J.W. SLATER (Minister of Water Resources): I move:

> That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr BLACKER (Flinders): When the Minister rose to his feet I thought that he might buy into this debate and at least try to explain some of the Government's attitudes the implementation of this taxing measure, but from the outset I indicate that I oppose this Bill on a number of grounds. My first reason is that it is contrary to the intention of the Government at the last election. It went to the people at that time and gave them an assurance that it would not introduce taxes during its term of office. Members of the Government said that they had done their homework and would be able to run the State's affairs without introducing new taxes.

It is on that ground that I so strongly oppose the Bill, because the Government does not have a mandate from the people to introduce this type of taxation. In fact, quite the contrary: the mandate given to the Government was based on a platform of no increases in taxation and yet maintaining the economic situation. But what have we seen? We have seen a great long list of State taxes, indirect taxation, all being introduced to the detriment of the South Australian public.

More importantly, and to cap all of that and the 1972 price rises listed in today's media by the Leader of the Opposition, we have this new tax coming in, the financial institutions duty, which some people now describe as the 'great fiddle tax'. What is the Government's promise worth? Quite frankly, can we believe the Government when it makes a statement to the people now? Twelve months ago it was making promises and saying what it was going to do in the management of the State's economic affairs. What it did not tell the people was that it could never finance those promises and that, therefore, in order to finance the promises and honour undertakings given to certain sections of the community, it would have to increases taxes. It all gets back to the question of who is hurt the most. Where is the money coming from, and where will it go?

South Australia will be disadvantaged by this tax. It is a tax on the thrifty and on the initiative of anyone who shows any enterprise at all, including those who want to start their own business. It is a tax which retards the economic development and certainly the enthusiasm of the business community. I do not believe that the Government has thought this legislation through: in fact, I am convinced that it has not thought it through, because within hours of the Bill being introduced for debate in this Parliament there were billboard banners in the streets saying how Bannon is backing off or softening on the tax.

There are obviously issues associated with this Bill that have not been thought through. Notwithstanding all the Government's Treasury officers, Ministerial colleagues, Ministerial officers and backbenchers, there are many areas in which explanations have not and at this stage cannot be given. One can only assume from the lack of involvement of Government Ministers and back-bench members in this debate that they do not have the answers. Either that, or the Government is using a smug approach and saying, 'We will bulldoze this through, anyway.' Government members know darned well that they will get this Bill through the House, and I believe they know equally well that they will get it through the Upper House, despite recent ramifications in that Chamber.

The Hon. Jennifer Adamson: Not one argument has been refuted.

Mr BLACKER: Not one, and I take the interjection by the member for Coles, that not one of the arguments has been refuted. I hope that, from arguments and examples advanced in the past few days in this debate by many speakers from the Opposition benches, somewhere along the line someone will be able to give a reasonable explanation to at least some of the allegations that have been made. If not, what is the point of going on with the debate? Is the Government grandstanding? Is it bulldozing the issue through, or does it have legitimate reasons and explanations for some of the actions that it is taking? I do not believe that anyone knows how this taxing measure will affect the community.

I do not believe that there is a single person in this Chamber who could adequately describe to any member of the public the true implications of this Bill. Here we are, a body of people's representatives, debating in this Chamber the merits of an issue, obviously a taxation measure, that will have widespread ramifications, not only for the term of this Government but probably for the term of many more Governments. We all know, despite the intention of people, that once a taxation measure is introduced very seldom is it ever withdrawn. I think it is fair to say that it will probably be here to stay unless there are strong pressures brought to bear on the Government, and basically that can only be done through the ballot-box.

Honestly, I do not know how the tax will affect the people in my district. I look at some of my constituents who are producers: they are at one end of the scale, with wholesalers, retailers, salesmen and the rest, at the other. The number of times that the dollar changes hands pursuant to this tax before the consumer level is reached and the compounding effect that it will have will obviously have a great impact on those communities, and certainly a retarded effect on any initiative one would like to talk about.

The real problem in economic development is one of encouragement and getting people to invest, and of taking a calculated gamble on new business and enterprise. Today I attended a luncheon at the Festival Theatre at which Sir Frank Espie was speaking. He made quite clear that economic development required incentive and, if anything, it required venture capital, risk capital, someone who was prepared to take a punt. He gave an example of an American community's attitude compared with Australian attitudes. Some people often sling off at the Americans, but they are out to make a dollar, to be successful in business, and they are prepared to take a risk. Sometimes it is a calculated risk, other times it is a bold stab in the dark, but if they go broke they settle down and the very next morning start off again.

However, that is not the Australian attitude. The Australian attitude seems to be that it is bad luck if one happens to be on the dole or broke, but one is equally scorned if one happens to be wealthy. So, we have the mentality of a community which does not believe in enterprise, initiative and pride in their businesses, or in the incentive or drive to get a community going. I believe that, if we can get that drive, incentive and investment working within the community, perhaps we could pull ourselves out of this economic situation much faster than we are doing at present. Unless we do that, we will get nowhere. However, it is taxation measures like this that have the very reverse effect, and that is the reason why I believe that this measure should be opposed in every possible way.

Much has been said of late (and I think that this involves even the example we had in the House today in terms of Government services for the people) about the principle of the user pays. If we adopted that principle completely, would we need a Public Service? Would we want people who believe in that principle to manage and carry on the affairs of the State? I firmly believe—and I know that this is taking it to the extreme—that a person who bandies about the comment that the user should pay in a willy-nilly fashion has not really taken stock of the entire State's affairs and the needs of the various sections of the community, the disadvantaged.

Today we have heard much talk about the water supply, with the Minister saying that it costs more to run a country

service: that is freely acknowledged. I accept that, as I believe the Government should do equally. It has been the case with many Governments that a reticulated water service is the right of the majority, if not of all citizens of the State. There will be irregularities in the cost of servicing at the end of each of the trunks main, so there is no easy answer to that. However, in exactly the same way I could turn around and look at the public transport system and say that we should adopt the user pays principle there, in which case the $64 million or $65 million deficit presently hanging over the head of the public transport system may in fact be relinquished.

If we adopted that principle, however, we would force people off public transport and back on to the roads and so create a another dilemma for the Government. Our roads would not be big enough; our traffic corridors would not handle the volume of traffic, because people would go back to their own private cars and transport. It is all very easy for Governments to say that users should pay, but it must be taken as an overall State package by the Government to get the most economic and beneficial measure in the best interests of the majority of citizens. On that basis, I think the Government has not been doing the right thing by the community in presenting a tax to the people which I believe will have a retrograde effect on encouraging business or incentive.

Another issue of some concern to me is the regulation-making clauses, and clause 79 of the Bill provides that the Governor can by proclamation make regulations to implement the Act. That is a very wide-sweeping provision. I know that it seems to be a standard clause in most Bills nowadays, but just because it is a standard clause and it is used by most Governments at present does not necessarily mean to say that it is right. However, it is a financial measure, and clause 79 can be used to spread out the tentacles of this Bill to a far-reaching degree.

I do not know how far it can go, and I do not know that the Government would know. The Premier, in his handling of this measure, believes that he can keep strict control of the regulation-making clauses in the Bill, and he may be able to do that. However, he cannot pre-empt what his successors will do or bind them to any particular course of action. I think that the classic case would have to be the way in which the Government has used the regulations (and I believe in some cases abused the regulations) in the Planning Act to bring under planning and development the whole ambit of vegetation clearance. It is certainly something which was never intended in the original drafting of that legislation, but because of the clause that the Government inserted to carry out certain functions by regulation the ambit of the Bill has been vastly widened to the extent that issues beyond the original intention have been drawn into it.

Many sections of the community are now being disadvantaged and hurt because of, in my belief, a misapplication of the regulations of a Bill which was never intended. In looking at the practical application, I can see that many family businesses will be totally restructured as a result of this Bill. I know of many farming operations where the property may be held by a family trust but managed by a family partnership. The principal of that may well be the father, but as the sons get married they would have their own accounts, so within one family unit there may well be eight or 10 different accounts operating. The reasoning behind it being done that way is to give individuality to the various members of the family and provide a sense of responsibility in dividing up the family assets at a later time, and so control it in that way. However, this measure means that, every time a cheque comes in and is divided between the family or goes towards paying off the family trust, bank payments, or whatever else, the tentacles of this Bill can grab and take a bit more from them.

The Hon. Jennifer Adamson: It is a disincentive to family obligation and recognition.

Mr BLACKER: It certainly is a disincentive to family obligation and recognition and, more particularly, it has that effect not only on individual members of the family but also on the actual management of a farming operation. I know that we can probably apply this analogy to many other business enterprises. However, an ordinary family farm would probably run a few pigs, cattle, sheep, and cropping such as wheat, barley, oats and maybe peas and many farmers would like to be able to keep the viability of each of those small operations in separate sections. I am involved in a family operation, splitting it up because I have a 50 per cent share in a farming property with my brother, so that divides the whole thing again. However, we try to keep our pig and sheep enterprises and grain enterprises separate.

The Hon. Jennifer Adamson: Programme performance budgeting on the farm.

Mr BLACKER: What the member for Coles said about programme performance budgeting on the farm is exactly what we are considering. However, in trying to do that, people will become involved and implicated in this measure, and I do not know how many times the dollar will be caught up in that operation, because someone is paying a cheque from one account to another in order to maintain his programme performance budgeting, if I can coin that phrase. Therefore, there are many problems associated with it and I believe that it is not unreasonable to quote from today's *News*, because I want to highlight the fact that even the Premier's aides are not totally sure of what will happen. On page 6 of today's *News*, Ms Sandra Eccles is reported as saying:

> The duty has been levied on the receipts of all these financial institutions, who will pass it on to the customer.

So we have an immediate acknowledgement from a member of the Premier's staff that the duty will be passed on, and it gets back to the first point I raised, that the person at the bottom end of the line who cannot pass it on is the one who will pick up the accumulation of these taxes. As I said before, whether it involves the wholesaler, the retailer, the stock agent, the land agent, the general business agent or eventually the carrier, each of those persons can pass on their additional costs, whereas the farmer at the bottom end, who is a price taker, not a price maker, cannot pass it on. He has to pick up the tab for every step along the chain, because involved in the costing structure will be the add-on costs that will come right down the line. Therefore, I do not believe that this tax is in the best interests of the South Australian community. I refer to the editorial in today's *News*, headed 'Second thoughts on f.i.d.', which states:

> The Premier, Mr Bannon, hurriedly backtracked in the face of fierce Opposition criticism of the impact of the new financial instituions duty. He had also earlier made soothing noises about investigating electricity costs and charges after the storm of protests about increased ETSA rates. So far, so good. But not far enough.
>
> Willingness by any politician to admit to second thoughts is to be commended, especially when they are about tax rises. Mr Bannon and his advisers are gradually coming to realise that they miscalculated the voter anger which would be caused by the spate of increases in State taxes and charges. The inevitable resentment was greatly heightened by the memory of promises on taxes in Mr Bannon's policy speech late last year.
>
> The best thing Mr Bannon can do for himself and his Government is to continue the hard rethink, particularly over the f.i.d. otherwise known as the great fiddle tax. The concern by churches, charities and other groups is legitimate. The Government has only itself to blame that there is confusion as well as dismay.
>
> On this page today we detail how the tax will work. That information should have been freely available from the start, not extracted as a dentist does teeth. But there is another larger aspect about f.i.d. which is yet another tax on incentive. It should not

be imposed at all. But if it must come, the rate should certainly be no higher than that in New South Wales and Victoria.

South Australia's fragile prosperity was built on cost differentials being the other way—it was cheaper to operate here than in the major population centres. The Premier knows this. These are the very arguments he uses in trying to get new investment for South Australia. A differential of one cent in $100 may not sound much. But it was a steady accumulation of straws which broke the camel's back.

It is the last phrase to which I refer mostly: 'a steady accumulation of straws which broke the camel's back'. It is that accumulation of straws and the tax percentages that hit at the incentive areas, the wealth developing areas and those areas in the State which have the potential to generate not only wealth but also employment opportunities for the development of South Australia.

I do not wish to say any more other than to condemn again the Government for doing this in the face of the promises that it made prior to the last election. It would be different if the Government had told the people that it may be necessary to increase some taxes, or that some slight increases may be necessary in some areas, but there was a definite, 'There will be no tax increases—not from this Government.' Having made that statement, within hours of the election result being known there was the backdown. It was upon that backdown that we have seen these 72 price increases. That is only part of it, because each one of those listed increases refers to not one tax but a series or range of tax increases along the line.

I have no alternative but to strongly oppose this measure in every possible way. I believe it is a measure which is retrograde to the development of South Australia and to the incentive for people of South Australia. It certainly is a tax against the thrift of the people of this State. It is double dipping. It is an attempt to divide the economic cake in such a way that it cannot be shared equitably or in any practical way. We have an economic cake of a limited size. Either each of us have to take a smaller piece, or there must be fewer sharing that same size cake. I strongly oppose this Bill.

The Hon. J.C. BANNON (Premier and Treasurer): I do not intend to reply at length. Obviously, some of the matters raised will be dealt with in the Committee stage of this debate, in particular the amendments that have been foreshadowed. I would suggest, bearing in mind the length of time we have had to canvass the general issues of the Bill and the time that we can get on with the Committee stage of the debate with some dispatch and try to deal with it adequately. The speeches that have been made, I regret to say, have not done very much to throw light on the legislation or deal with it in a constructive manner. Of course, I think every single speaker on the other side has stood up and repeated the litany that has been heard in this House I think if not for most of this year, certainly since August of this year.

The Hon. E.R. Goldsworthy: You'll hear more of it, too.

The Hon. J.C. BANNON: As the Deputy Leader says, we will hear more of it. There is a Standing Order that talks about repetition in debate.

Members interjecting:

The Hon. J.C. BANNON: Members got very close to that tedious repetition. If we look at the speeches we will find that again and again the same point being made. I would have thought that point had been dealt with in a dozen other debates we have had. If the Opposition wants to keep on raising it, well and good.

Mr Mathwin: We will if you want to keep raising taxation.

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: There is no way in which they are contributing to the debate or doing anything more than simply indulging in vain repetition, to use that biblical phrase. When I looked at the Leader's speech in particular, it was very difficult to find any substance in it. I think the Leader has misrepresented the intention of the legislation, which I think is very poor on his part, particularly in the way it relates to churches and charitable institutions, creating alarm amongst those bodies. I know his political purpose in this, but I would have thought that, in passing on information (in inverted commas) to these bodies, the Leader would attempt to accurately reflect what is in the Bill and what is the intention of the Government. In fact he did not. It is a pity he has decided to treat the legislation in this fashion.

One of the things that stands out, of course, in all this talk of how appalling it is to have a new tax and new imposition is that no reference was made to some of the better features of this tax, its broad base, the way in which it impacts on people and institutions and most particularly I do not think I have heard any real reference to the fact that, as part of the introduction of this measure, there will also be a major remission of a duty which disadvantages many individuals, particularly lower income earners and small business men who are forced to resort to hire purchase finance at high rates of interest. The Government is abolishing that duty. The net return to those sectors of the community, the individuals in need, the small business sector, will be around $7.5 million a year and the duty that replaces it, while in total it will yield more, is a progressive duty that will ensure that the burden on those people is in fact reduced.

It is difficult to get that message across in the sort of fear and loathing debate that the Opposition sought to produce in this area. It has certainly proved impossible to get that message across in the last few days in the media, although I must say that the early treatment of this Bill and the one or two articles making a sober analysis of it, for example, in the *Advertiser,* did address themselves to these particular points and attempt to explain the advantages of this tax. It is a new tax, but it also shifts the tax burden in a way that I believe, once it is in place, will be understood and the benefits of it will be perceived.

Much of the reaction to the financial institutions duty is a fear of the unknown. Let it be implemented and applied and I think we will find that the people will begin to understand its basic equity and, in so understanding, will feel less nervous or hostile about it. However, it is not possible to do that in this environment.

Mr Ashenden: So it is still a good tax, is it?

The SPEAKER: Order!

The Hon. J.C. BANNON: I am not going to attempt to do that in terms of addressing the very emotional arguments that have been put up by the Opposition. In the second reading explanation I made clear there had been considerable consultation and discussion with the financial institutions responsible for it and that the fruits of those discussions were incorporated in a number of elements of the Bill. When the Leader of the Opposition and others talk about uncertaintly and confusion over the Bill, they have to recall that in fact a major consultation process, unprecedented in measures of this type, was undertaken and the institutions concerned appreciated that. I made it clear, again in the second reading explanation, because I have attempted to hide nothing and there is no reason why I should, that the institutions are not happy about all aspects or elements of the Bill. At least we have been able to cover many of the objections and problems that have been raised. There has been absolutely no recognition of that in the hysterical addresses from the members of the Opposition. None at all. It is also a fact that even now, at this stage, as I made clear, we are ready, willing and able to take account of improvements or alter-

ations that might be made. I said in the second reading explanation:

While the Government is engaged in an unprecedented round of discussions with interested parties over these measures, there has not been time to invite comment on the clauses included in the Bill to deal with some of the issues raised in those discussions. We remain therefore prepared to make adjustments of a technical nature to these clauses if it can be demonstrated that they can be improved. However, it is not our intention to canvass further the issues upon which decisions have been taken in principle.

In fact, I will be moving, in the course of the Committee debate, a number of amendments which take into account some of the objections and problems that have been raised. I hope those amendments will improve the Bill. The Leader has also foreshadowed that he will be moving some amendments, and we will certainly deal with them in the course of the Committee. Amendment's which seek to fundamentally attack the Bill, particularly the revenue yield which is the basis of the Bill will be opposed by this Government.

Equally, there are other amendments which we will oppose, although there may well be elements in those amendments that deserve further consideration. It will be my intention to ensure that those elements are given full consideration, and the opportunity to make amendments can be given in the Legislative Council when the measure is before it. I make that point in anticipation of the debate that will occur in Committee. I can assure the Opposition that regard will be given to some of the points it has made. I believe that the Legislative Council, which after all, is termed the House of Review, is the appropriate place where these matters can be considered. Obviously it will not be possible to accommodate some of the amendments raised at this stage.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: In conclusion, I point out that I do not intend to go through a lot of the things that have been said, except to say that there seems to have been a considerable lack of understanding (which I hope is not a deliberate lack of understanding) of the Bill and its impact. A number of straw men have been erected to be knocked down by the Opposition. There has been a deliberate misrepresentation in respect of certain elements of the legislation which I think has impeded proper public debate on it. I can only repeat that, when this legislation is in place, bearing in mind that there will no longer be in operation the stamp duties on financial transactions measure which affects particularly the lower income earners and the small business man, we will find that this as a form of taxation will be seen as being appropriate, effective and indeed justifiable in the circumstances. I commend the Bill to the House.

The House divided on the second reading:

Ayes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), M.J. Brown, Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Noes (18)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Pairs—Ayes—Messrs Ferguson and Klunder. Noes—Messrs Allison and Becker.

Majority of 4 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1—'Short title.'

Mr OLSEN: In view of the comments that the Premier has just made, can he say whether he is prepared to withdraw this measure, redraft it, and reintroduce it to Parliament in due course after adequate consultation? The Premier has not given adequate explanations in reply to concerns that honourable members and I have raised during the second reading debate.

The CHAIRMAN: Order! The Chair cannot allow the Leader to pursue that argument. If the Opposition wishes the Government to withdraw the Bill all it can do is to vote against it on the second or third reading. The matter before the Chair at present is clause 1 of the Bill dealing with the short title.

Mr OLSEN: I am seeking an indication from the Premier whether this measure before the Committee, the title of which is—

The CHAIRMAN: Order! The Chair does not want to be difficult with the honourable Leader, but again I point out that all that is before the Committee at present is the clause dealing with the short title.

Mr MATHWIN: Will the Premier say whether he took that title from similar Bills, although dealing with a lower rate of tax, that have been introduced in New South Wales and Victoria?

The Hon. J.C. BANNON: Yes, 'financial institutions duty' is the title that has been given to this type of tax as it applies in Victoria and New South Wales and as is proposed to be introduced in Western Australia.

Clause passed.

Clause 2—'Commencement.'

Mr OLSEN: As a result of the impact in practical problems that he has imposed on financial institutions with the commencement date of this Bill, will the Premier say whether he is prepared to withdraw this measure and have adequate consultation with those in the community? The Premier placed some emphasis on the consultation processes. It seems that it was very selective consultation undertaken by the Premier on this measure. That certainly has been highlighted by the number of people with whom I have been in touch in the intervening week to establish the extent to which the consultation process has taken place.

The Premier, in his response to the second reading debate, was very brief. It is the most major tax measure to come before the Parliament in 10 years. Yet, the Premier did not see the need to respond to specific questions placed before the Parliament legitimately by the Opposition in this place. He saw fit not to even attempt to answer those questions. That is an abdication of responsibility by the Treasurer of the State on a major measure. The Opposition rightfully pointed out inequities in the legislation, highlighting in the speeches (as, indeed, I did at some length) the problems that would be placed on a number of institutions by the commencement date of 1 December 1983. The Premier did not seek to address that problem at all. He did not seek to respond to it, answer it, qualify it, arrest our fears in relation to it, or put an answer on the record in response to the institutions that have raised specific and legitimate queries in relation to the commencement date of the legislation.

The fact that the Premier has distributed a set of amendments in his own name to a Bill brought into this House only a day ago is an indictment on the preparation that has gone into this major revenue-raising measure—the first significant one in 10 years before the Parliament. Homework was not done by the Government or the Cabinet, as is witnessed by the amendments brought in by the Treasurer himself. If ever there was justification for this matter to be deferred to give groups which have not been involved in the selective consultation process the capacity to respond to the measure, this is it. Clearly, they would want some input. Clearly, the Premier, by the amendments that he has placed before the Committee, is indicating that the legislation has holes in it. It is very rubbery. At least we can take stock of it. We need the Premier to say that the legislation is inadequate, that there are holes in it, and that he needs to take it away and have another look at it. He is talking about

legislation that will touch the life of every South Australian. It is a very important matter and it will not be facilitated.

The Premier wants to get it through in a few hours in this Parliament. We will not facilitate that, particularly in the light of his response to the second reading debate. It was a totally inadequate response and did not adequately address the problem. We will not assist the Government to push it through because of the politically embarrassing position it has got into as a result of a lack of homework done on this measure, its lack of prudent planning, and the lack of proper questioning of departmental officers to ensure that the Premier and the Treasurer of the State is aware of the implications of the legislation before us. Clearly he did not know the implications of the legislation before the Committee and still does not know. He has brought in legislation which he has had to amend himself—what an indictment! How can we expect people in the community—those who have to collect the tax—to know where they are going? How can they not be confused? Confusion exists in the community, and the Premier himself is confused. If the Premier wants to credibly introduce this measure into the Parliament, he should hold it over for a week. During that week he can do his homework and at least—

Mr Groom: So you can make mileage.

Mr OLSEN: The mileage is in the amendments put up by the Treasurer himself.

The CHAIRMAN: Order! The Chair cannot let the Leader continue in that vein. The Chair has been trying to be fair about the situation.

Mr Ashenden interjecting:

The CHAIRMAN: Order! The Leader is now debating the question of holding up legislation and that is not contained within this clause.

Mr OLSEN: I am talking about the commencement date of the legislation. I am indicating to the Parliament that confusion exists, despite the comments by the Premier in his response. People will not be able to introduce the legislation and undertake the tax collection responsibilities which it inflicts upon them with the lead-in time the Premier has allowed them. Clearly, they cannot do it and it is causing confusion and concern. I know that the Premier is aware of the concern, as I have copies of letters sent to him, one being from a major South Australian financial institution stating that, with the commencement of 1 December 1983, its Board advises that the cost to that institution will be between $120 000 and $150 000 this financial year because the Premier wants the legislation to commence on 1 December 1983 rather than give an appropriate lead-in time. The Premier has that letter and he knows about it. If he sits silently, he is prepared to let that institution wear the cost. That is irrelevant in the eyes of the Premier. It is not good enough to say that there are problems with this legislation, including the commencement date, and that amendments, where necessary, will be moved in the Upper House next week, as he suggested in tonight's *News.*

The CHAIRMAN: Order! The Chair cannot allow the Leader to refer to any future debate that may occur. The honourable Leader of the Opposition.

Mr OLSEN: I am linking the passage of the legislation through the Parliament of South Australia with the problems that will be caused by the operative date in the clause before the Committee at the moment. Clearly there are significant difficulties with the operative date. We are not talking about three months from now but of a couple of weeks from now, when these institutions have to gear up and collect the tax. No member of this place should be satisfied with passing a Bill that is imperfect. The Premier acknowledges that it is imperfect. It is an unprecedented move by a Treasurer to introduce a measure and then bring in a series of four pages of amendments to it only 24 hours later. How embarrassing! It certainly shows the lack of capacity of the Government to address these problems.

The Premier has said that I am attempting to create political rhetoric and panic in the community. I assure the Premier that some of the financial institutions of the State are in a state of panic not as a result of the comments I made but as a result of having this legislation thrust upon them with its implications slowly, like the ripples going out from the centre of a pond, becoming a reality to them.

The Hon. B.C. Eastick: And on legal advice.

Mr OLSEN: Yes, and on legal advice. The comments made to me by financial institutions come as a result of my forwarding a copy of the legislation to them to look at. First, they highlighted the fact that they were not involved in the consultation process. Secondly, they advise that, according to their accountants and legal advisers, the implications to those bodies were quite significant.

What we need to do before a measure of this nature is passed through this Parliament is to clearly understand the implications of the legislation. If the Treasurer does not understand the implications of the legislation how on earth can any other South Australian be expected to understand those implications? If he did understand the implications it would have come in in a complete form without need for amendment by the Treasurer himself. The operative date that we have here of 1 December 1983 does not give an opportunity for a lead-in time. In drawing on the experience of New South Wales and Victoria, there were very significant problems created in those States by the thrust of legislation similar to this being brought in quickly. Those in the private sector who had been charged with the responsibility of collecting the tax had not been able to get their act together to undertake the Government's requirement to collect its tax for it.

Those institutions to which I referred in my second reading speech, which the Premier has decided to totally ignore in his response, expressed their very real concern at this measure and the haste with which it has come before this Parliament. Clearly, the Premier is embarrassed at the result of recent days of reactions to this measure. He wants, apart from all else, to whip it through quickly and quietly to avoid the political odium. The member for Hartley acknowledged that in fact the Government was getting a little bit of political backlash as a result of this measure. It wanted to get the Bill though quickly, but that is not good enough for South Australians who will have to pay, under this legislation, this tax measure.

We need to carefully analyse every clause in this Bill. We need to be assured of exactly what are the implications of the legislation before the Committee. The Premier by his own actions saw fit not to explain or talk about the implications, the commencement date, or to answer those questions when he should have done so. In those circumstances, because the Premier has acknowledged that he did not have his act together or did not understand the implications of the legislation, this Bill ought to be held over. At least if he is not prepared to do that, withdraw it and go back to the consultation process to bring in those who were not involved in the selective issue.

The Hon. E.R. Goldsworthy: He said he would think about it.

Mr OLSEN: Yes. I know; he must have thought about it last night. We need to ensure with a piece of legislation such as this, when it comes before this House, when it is initiated in haste in this instance, when it has come in a package, that we can look at it in its entirety and clearly understand and get answers from the Treasurer, as we are entitled to have, as to the implications of the legislation. I therefore ask the Premier whether he will review the commencement date of this legislation. Will he defer the passage

of this legislation so that the questions we have a legitimate right to ask can be fully answered and the implications of this Bill can be fully understood by all members of this House before it proceeds any further?

The Hon. J.C. BANNON: I hope that the Opposition intends to be constructive tonight and not play games with this legislation.

Members interjecting:

The CHAIRMAN: Order! I assure honourable members opposite that if they wish the Chair to get very drastic about this I can, but I think we can have some responsibility by members that order should be maintained. The honourable Premier.

The Hon. J.C. BANNON: Thank you, Mr Chairman. As I mentioned earlier in the debate most of the matters canvassed in the speeches will be dealt with as the various clauses come up. In relation to amendments circulated by me, which is one of the reasons the Leader suggests we should defer the legislation, I remember on many occasions in this place that the Government has introduced amendments, and I think it is quite appropriate to do so. Indeed, in view of some of the comments made by the Opposition, if no amendments had been made I guess they could have said we will not listen to anything, nor have I put into effect that particular passage of my second reading speach in which I foreshadowed there would be some amendments following publication of the Act.

Members interjecting.

The CHAIRMAN: Order!

The Hon. J.C. BANNON: I think that members opposite will find that those amendments are fairly simple, will improve the Bill, and should be welcomed. The consultations that took place with the institutions I think have been adequate enough for those institutions. I am not prepared to change the date of operation of the legislation. I refer honourable members to the transition provisions which have been deliberately inserted to give institutions time to put the tax into operation, not only the three months embodied in clause 80, not the subject of this particular clause, and a further discretion to get a further time extension. We have taken account of problems of transition which there must inevitably be at whatever time such legislation is brought in. I am prepared to change the date. I do not think there is much point in prolonging this discussion on it.

Mr OLSEN: As the Premier is not prepared to defer the matter, I refer him to correspondence from a major South Australian based financial institution which has indicated that, because of the commencement date of 1 December 1983, it will be involved in costs of $120 000 to $150 000 and ask whether he is prepared to reimburse that institution to the extent of that amount?

Members interjecting:

Mr OLSEN: The member for Brighton might still enjoy it if she is here; she has two years to go. Will the Premier undertake to reimburse that institution to the extent of $120 000 to $150 000? It is only one example given to me directly of calculated operative cost to that institution because of the commencement date of 1 December 1983. These institutions, through no fault of their own, are unable to gear up to undertake the collection system from the public to pass on to the Government in due time. The fact that they cannot gear up, the practical impossibility of gearing up and picking up that cost, is a responsibility on the Government. That is this Government's responsibility to the private sector of South Australia, because it wants to rush this measure through before Christmas thus applying a direct cost to those institutions. Costs in the order of $120 000 to $150 000 are not chicken feed in today's hard economic times. If there is a range of institutions, one of which has put in writing to the Premier the position as it relates to that finance house, I believe the Premier should defer it. He has said he will not defer it. Then will he pick up the tab? It is quite wrong and unrealistic to expect that institution to pay such a heavy penalty for a Government that cannot put its act together, that cannot put legislation through Cabinet and dot the i's and cross the t's. This legislation must have gone through Cabinet in four minutes flat because no-one asked any questions.

Mr Mathwin: Perhaps it never got to Cabinet.

Mr OLSEN: Yes, indeed it must have gone through the Cabinet process but the haste with which it went through—

The Hon. E.R Goldsworthy: Do you think any of the Ministers understand it? The Premier does not.

Mr OLSEN: Clearly they did not understand implications, one of which relates to the commencement date. That is a major stumbling block for those institutions that should be addressed by the Government. What will the Premier do to reimburse the private sector which will have a direct cost applied to it resulting from that measure becoming effective on 1 December? If he is to reimburse them, how will he do it? Will it be from Treasury funds? Does it mean that revenue that would be gained from this measure will be recycled back to compensate those finance houses? What judgment will the Government make about the amount to flow back to those institutions? It is fraught with danger. The Government cannot answer those questions. I defy any accountant or economist to establish the limits in relation to that. It is an unknown factor. Because it is, the Premier should be looking at inserting another operative date on this legislation rather than give the private sector a miserable three weeks notice as to what the rate of duty will be.

Mr Mathwin: It's not through yet.

Mr OLSEN: No it is not. Actually, I think that it is rather presumptuous for the Government to anticipate that it will be through the Parliamentary process by the due time. However, if the Government wants to sit during the off week that would be okay: we would not mind sitting three weeks in a row, particularly on a tax measure of such fundamental importance to South Australia. Very real questions are being posed by the private sector. The measure creates costs which are quite substantive. It is the responsibility of the Treasurer to address that, and indeed to respond specifically to that query.

The Hon. J.C. BANNON: I have heard what the Leader has had to say, and I assure him that within the scope of the transitional arrangements, and once the legislation is in place, then naturally this matter will be taken up. I point out that the institutions have had—

Members interjecting:

The CHAIRMAN: Order!

The Hon. J.C. BANNON: Institutions have had notice of the f.i.d. since August. There has been fairly extensive discussions with them on the nature and form of the legislation. Most institutions have national branches or head offices that have been applying it both in Victoria and New South Wales. Therefore, there has been plenty of time to get systems into operation given the considerable notice that has been given. The precise detail of the Bill was not revealed until it was actually presented to Parliament, but the various institutions had been apprised of the nature of the f.i.d. legislation and have had time to gear up. I think we will find that the problems can be overcome.

Mr OLSEN: That response from the Premier is totally inadequate. To suggest that we will look at the problem some time down the track shows the contempt that the Premier has for the private sector and those institutions that he is demanding should collect this tax for him. I ask the Premier to indicate to the House in clear and conscise terms the list of organisations involved in the consultation

process that he has referred to because, quite clearly, it was a selective consultation process, and the Premier did not seek a wide enough involvement to determine the implications of the Bill.

The Hon. J.C. Bannon: Who are you speaking of?

Mr OLSEN: The Treasurer of this State, from whom I would like some answers.

The Hon. J.C. Bannon: How about addressing me instead of the press gallery?

Mr OLSEN: I am addressing you—I could not be looking more closely at you—as Treasurer of this House.

The Hon. J.C. Bannon: Stop playing games.

Mr OLSEN: I am not playing games. I want some answers on behalf of South Australia, and you have a responsibility to provide those answers. If you cannot provide those answers you should say so.

The CHAIRMAN: Order! I do not wish to keep interrupting all the time, but I point out to the Leader that the word 'you' is quite unparliamentary in the context in which he is using it. Members of this House are usually referred to as members.

Mr OLSEN: Mr Chairman, the Premier asked me a specific question and I responded as accurately and as directly as I possibly could.

Mr Hamilton interjecting:

The CHAIRMAN: Order!

Mr OLSEN: It is the responsibility of the Treasurer,who has introduced the measure to the House, to give an adequate explanation to the House in relation to the commencement date of the measure and how he will address the problem of the cost to be passed on to the private sector. It is not good enough to say 'We will look at it down the track'. The problems must be addressed before the legislation passes the Parliament of South Australia. The answers must be provided by the Treasurer of this State before the measure passes the Parliament of South Australia. We will not apply 22 bandaids to this measure down the track; let us fix it up before hand. The fact that the Premier has placed on file four pages of amendments clearly indicates that he and the Cabinet were not aware of the implications of the Bill before introducing it into Parliament.

Cabinet must have decided on this measure in four minutes flat. Will the Premier please address the question? Who was involved in the consultation process, and what will the Premier do to assist institutions in the private sector, which have been going through a rather difficult economic time (and I thought that he would have at least identified that situation in the past 12 months), and can ill afford imposts of about $150 000 merely because the Premier wants the measure operating on 1 December 1983.

I have asked the Premier quite legitimate questions, as the Opposition is entitled to do: questions that private sector groups have asked us to address to the Treasurer. It is simply not good enough to fudge the issue and avoid answering the question. For the third time, will the Premier please address the questions that I have specifically posed to him?

The Hon. J.C. BANNON: For the third time, and I guess that there will be a third time on every clause as this game goes on, I will reply.

Mr Ashenden interjecting:

The CHAIRMAN: Order! I point out to the member for Todd that, if he continues interjecting as he is at present, the Chair will certainly deal with him.

The Hon. J.C. BANNON: The first discussions on this measure took place as far back as April 1983 when the Under Treasurer wrote to a number of institutions asking for comments on it. Responses were received from the following groups: Associated Banks in South Australia, Australian Finance Conference, Australian Merchant Bankers Association, Australian Society of Accountants, Credit Union Association of South Australia, Pastoral Houses such as Bennetts Farmers, Dalgety Australia Limited and Elder Smith Goldsbrough Mort, the South Australian Association of Permanent Building Societies, and the Stock Exchange of Adelaide. A meeting of selected groups from the finance industry was conceived in September, representing the wide range of financial institutions that I have mentioned, and at the same time copies of the draft f.i.d. Bill were distributed for consideration.

As a result of the publicity given to the proposed introduction of f.i.d., various other organisations sought to make representations, and those representations were taken into account. The other organisations included: Amaguard, the Australian Merchant Bankers Association, the Council of Authorised Money Market Dealers, the Credit Union Association of South Australia, the Land Brokers Society, the Law Society of South Australia, the Real Estate Institute of South Australia Incorporated, the Retail Traders Association of South Australia, the S.A. Association of Registered Health Benefit Organisations, the Savings Bank of South Australia, the State Bank of South Australia, and the Taxation Institute of Australia—S.A. Division. As I have already said, a very wide group of organisations had the opportunity to comment.

As to the amendments that I recently placed on file, I again remind the Committee of my comment during the second reading debate to the effect that the Government was prepared to deal with some of the issues raised and make technical adjustments even to the last moment—and we are still prepared to do that. I would have thought that, if we had not been prepared to do that, we would be castigated for inflexibility. I am not being inflexible. The Government has taken into account a number of other submissions and has incorporated them in the form of the amendments that I have placed on file.

The Hon. E.R. GOLDSWORTHY: This is an important clause, for a number of reasons. What the Premier has just said does not add up. I do not know whether or not the Premier knew what the Under Treasurer was up to at the time, but he just informed the Committee that the Under Treasurer wrote to a large number of financial institutions in April this year and flagged the fact that this tax may be introduced.

The Hon. J.C. Bannon: No, a review of the tax. At that stage no decision had been made to introduce it.

The Hon. E.R. GOLDSWORTHY: It really has not lined up too well with what the Premier had to say at one of his Labor businessmen's luncheons, where one comes along to hear the bad news at a gathering of Labor leaders.

The Hon. J.C. Bannon: That's got nothing to do with it.

The Hon. E.R. GOLDSWORTHY: It has a lot to do with it, because it bears directly on the statement that the Premier made in relation to the consultation that had taken place and the intentions of the Government, which he is now suggesting flagged it to the business community. At the luncheon on 2 May 1983, the Premier said, in response to a question, that financial institutions would be invited to submit opinions and evidence in relation to f.i.d. to the promised inquiry into State taxation. That is the inquiry that has not yet occurred.

THE CHAIRMAN: Order! I will have to pull up the Deputy Leader. We are debating a specific clause that deals with a commencement date, and at present the honourable Deputy Leader is making it a much broader issue than the question of a commencement date. I ask the honourable Deputy Leader to come back to the clause.

The Hon. E.R. GOLDSWORTHY: I will link it up. The financial and business communities did not know that this tax would be visited on them, and to suggest that back in April they had warning of this tax does not line up with

the Premier's public statement. I say that this commencement date is a serious affront to those people. The statement I quote is as follows:

And that this (the Premier's) personal preference was to avoid the introduction of such a tax in South Australia.

The Premier has been misleading the House, or he was misleading that Labor business men's lunch, or he did not know what his Under Treasurer was up to. This commencement date will not do. As a result of the public outcry in relation to that tax, the Premier has said that he will have another look at it. Is he suggesting that he should push this clause through, that the Bill should become operative on 1 December and that he will seriously have another look at it? We have heard that story before. We heard it in relation to the big jump in electricity tariffs. We heard that the Premier would have a look at that again, but it was not long before he said that he could not do anything about it. Is he asking the Committee to put the clause through?

He is saying, 'Vote for this clause, but I will have another look at it.' It just does not add up at all. The Premier said that there would be no new taxes, but here we have a brand new tax to be levied on 1 December this year. That just does not add up. How on earth can he expect the business community in South Australia to come to grips with this brand new tax which he promised he would not levy without an inquiry? He said that we would have another inquiry; then we would have an election before there was another new tax, and he expects the business community by 1 December, with about three weeks notice to have its books and assets ready so that the tax can be levied. That is just not on.

The Leader has given specific examples to the Premier and has quoted one financial institution (and this must be multiplied dozens if not hundreds of times around the community in South Australia) to which this commencement date will be a severe embarrassment. We know that the Bill is a severe embarrassment to the Government, that it should be an embarrassment and will cause difficulty in a whole range of areas. However, it is as plain as the nose on the Premier's face that the commencement date will cause a great deal of difficulty and extra expense if this Bill is to become operative on 1 December.

This date precludes any real review by the Premier of the difficulties which he now acknowledges exist. It makes an absolute farce of the statements made by the Premier that he will have a second look. How on earth can the Premier have a second look at this Bill? I have scanned the amendments (I know that we cannot discuss the detail of those amendments at this stage) to ascertain whether the Premier has had a second look: he has not had a second look. They are drafting amendments, and I will not discuss the detail of them because I know that it would be out of order. They do not address in any way the fundamental objections to this Bill, which the Premier acknowledges. If he rams this Bill through Parliament tonight (or tomorrow morning, because there is no way that the Opposition will let this be visited on the public of South Australia), the Opposition would be completely devoid of responsibility if we simply allowed this new tax, which will have such a devastating impact across a spectrum of areas, to pass into law and be operative on 1 December without pointing out to the Premier with as much vehemence as we can that it would be disastrous.

I ask the Premier when he proposes to have this review of this tax measure. As I say, nothing put so far indicates any real attempt to come to grips with it. Mr Chairman, I got a warning frown from you when I referred to a like example. There are like examples where the Premier has promised these reviews. 'This tax measure is to be reviewed,' he said yesterday. Will he review it before 1 December? We have heard that story before. We have become very suspicious of the Premier's promises, and I believe that the public have not only become suspicious but they just downright disbelieve him. If we push this through by 1 December, it gives the lie to any suggestion that there will be a real review of this legislation.

I ask the Premier: when is the review proposed; what will be the nature of the review; and how will the Parliamentary process accommodate the review? It is ludicrous to suggest that it can happen in another place, because the Government does not control the other place. If any real review of this legislation is to take place, it has to take place right here within these four walls where the Government has a majority. It is deluding the Committee and the public to suggest that this legislation will be reviewed and that some of the problems enunciated by the Leader of the Opposition will be addressed by the Premier. Under the heat of a little publicity, he said that he would have another look at it. What evidence do we have that he will have another look at it? All the evidence we have is that he will ram it through and have it operative by 1 December. That is not on.

We want to know what the nature of the review will be and how he will implement it. Has he people in other places lined up to support his review? It is just not on. This legislation is disastrous, and if it comes into operation on 1 December it will be even more disastrous. There is a suggested amendment to this clause which will be dealt with in due course. Even that is a four-way position and the fact is that we do not like the Bill at all. We voted against the second reading. The only option we have now is to fight these clauses, and this clause is as obnoxious as any. It is absolutely obnoxious to suggest that we will at short notice visit this legislation upon those concerned. We do not even know what the rate was. The Premier was the blushing bride when asked, 'What is the rate?'

The CHAIRMAN: Order! The honourable member's comments are not relevant to the clause before the Committee.

The Hon. E.R. GOLDSWORTHY: The commencement date is from when the .04 figure will operate. We did not even know that it was .04 until a very recent date.

The CHAIRMAN: Order! The honourable member does not want to flout the authority of the Chair.

The Hon. E.R. GOLDSWORTHY: No, I would not want to do that, as I have absolute confidence in your fairness.

The CHAIRMAN: Order! The Chair has pointed out that the rate has nothing to do with the clause before the Committee.

The Hon. E.R. GOLDSWORTHY: It determines the amount of money that the community will have to find in a hurry. It determines how much money they will have to find on 1 December. It means that this Bill will become operative in a very short period of time. That is just not on. When introducing a new taxing measure as Draconian as this, it is only reasonable that adequate notice be given to the public in terms of details of the Bill. The Premier may argue that the public was given notice in April. I do not believe that. He said on 2 May that he did not want to introduce f.i.d. However, no-one really knew what it was all about until this legislation hit the deck in terms of details of from when it would apply. He was like a coy blushing bride, he would not say yes or no.

We have been given details of the commencement date only recently. What is the nature of the Premier's review? I want to know how he intends to review it. If he decides that some modifications are necessary, how does he intend to implement them before 1 December? That is the pertinent point in relation to the commencement date. At least that suggested by an amendment would give a bit of breathing space. The Premier said that there would be a tax review

across the spectrum. That would take a long time. When will it start and how long it will take? We do not know. It is not good enough. We have this brand new tax which is imposed in breach of a clear promise and which is to be levied almost immediately.

There is no way that the Opposition can let this sort of thing pass by default. There is no way that we can allow to be visited on the public on short notice a tax which will have an impact not only because of the tax itself but because of the commencement date. That is the very nub, the very heart of the question we are addressing. The Leader has not been given satisfactory answers, and we are waiting for them. We want to know how the Premier intends to review it and how he intends to implement that review.

The Hon. J.C. BANNON: We have now been on this clause for 45 minutes. When I mentioned a review, I was referring to the House of Review. Unless we are going to duplicate word for word this debate in the Assembly, there is obviously a role to be played by the Legislative Council in this instance. That is what I was referring to. I would hope that matters brought up by members of the Opposition and anything else that has been raised by the community and interest groups can be taken into account at that stage of proceedings. They will be.

The Hon. E.R. GOLDSWORTHY: The Premier's answer is just not good enough. As much as he may wish to be in control of the other place (where he says he will institute his changes) that is just not the case. The Premier is incapable of delivering what he says he can deliver simply because he does not have the numbers. The Premier has promised to review this legislation: he must do it by 1 December. He must rethink it, draw up amendments and put them to the Parliament, and have them accepted by both Houses. He cannot do that in another place and be guaranteed that they will be accepted.

The CHAIRMAN: Order! The Chair already has pointed out that it cannot allow the debate to continue referring to possible debate in another place. Admittedly, the Chair allowed the Premier to do so, but the Premier also was quite wrong. I would ask honourable members not to refer to debate in another place.

The Hon. E.R. GOLDSWORTHY: All I can say is that the Premier's answer is unsatisfactory. The only place where the Premier can institute a review of this legislation and in so doing assure the public of South Australia that he is fair dinkum and serious about instituting some change is right here. But he is asking us to put this Bill through on a wing and a prayer in the hope that it will be fixed up somewhere else. I ask the Premier why he is not prepared to extend the commencement date, why he is not prepared to redraw the Bill and take into account the objections and the difficulties that he now acknowledges, although we wonder just how genuine that acknowledgement is under these circumstances. Why will he not make a decision in this regard, get his amendments drawn up and make sure that they pass into law by doing it in the only place that it can be done which is right here? He weeps crocodile tears publicly when the heat comes on and says that he is thinking about fixing it, although he has said that he will fix other things which has not been the case. He has hoped that in a couple of days the public will have forgotten about them. He said yesterday that he would have another look at this matter; out came the handkerchief when he said that he recognised the problem. But what happened? Nothing happened. The Premier hopes that problems will disappear and thinks that he can go into the office and shut the door thereby shutting the world out, hoping that problems will disappear. That is just not good enough. If the Premier is serious about making modifications he must do it now. The proposed commencement date will not do. I ask the Premier again why he is not prepared to fix the thing up here which as he knows is the only place he can do it.

The Hon. J.C. BANNON: That is the date that I previously announced it would operate from at the time when I presented the tax measure. The timetable I announced at that stage has been adhered to and there is no reason why it should not operate from 1 December.

The Hon. E.R. GOLDSWORTHY: Circumstances have changed. Only yesterday the Premier stated that he wanted to rethink the matter. When announcing the commencement date previously he thought he was going to have a tax measure that would be acceptable, one that had been clearly thought out. In the event, he did not understand it, let alone his Cabinet or back-bench colleagues.

The ball game has changed. The Premier came into the House yesterday and told journalists that he would have another look at the Bill. When is he going to have another look at it? Was he only kidding yesterday? If the Premier is not simply deluding the public again—following his wont and his custom of doing nothing, hoping they will forget about it and that the problem will disappear with time, hoping that time will solve his problems and heal his wounds—he has to do something now. It is not good enough for him to say that he said that the date would be 1 December. That was on the expectation that he would have a good Bill. He has got a crook Bill, a Bill that nobody likes, a Bill that he does not understand and, has far wider impact than elsewhere in Australia.

We have a Bill with a rate that has been sprung on the public and a Bill where the people affected have to make adjustments by 1 December. When he announced this at Budget time, maybe he should have brought the Bill in two months ago, but he has only just brought it in now. He has been mucking around for months, piddling around and not saying when he would introduce it. Now he brings in the legislation less than a month before the starting date. Even after all the mucking about and bringing in the legislation at the eleventh hour, a heap of amendments have hit the deck. Those amendments do not change the basic problems which have been pointed out to the Premier and which he now acknowledges.

The CHAIRMAN: Order! The Chair does not intend to allow the Deputy Leader to broaden the debate from the clause on the commencement date. The honourable Deputy Leader.

The Hon. E.R. GOLDSWORTHY: The Premier is saying that, because he said some time ago that the tax would commence on 1 December, that makes it right, but it does not make it right for two reasons. First, the expectation would be that the Bill would be introduced with adequate time for the people who are going to be effected to make arrangements for the payment of the tax. That has not happened. We are within three weeks of the commencement date. The legislation is lobbed on the deck, people have to come to terms with it, make computer changes and do everything else, and pay within three weeks. The Premier could have announced the tax three years ago. He said on 2 May that he did not want to introduce it.

Secondly, only yesterday the Premier stated that he was going to have another look at the legislation. We ask the legitimate question: when is he going to have another look at it? How does he intend to implement changes in the short space of three weeks? We know he has to be kidding, unless he is prepared to withdraw the Bill and give people sufficient time to digest the new arrangements. There would be a new Bill. If the Premier accommodates the points raised by the Leader and others, how on earth can he suggest that, because he mentioned 1 December some time ago, he must stick to that time table? The scene changed only yesterday. Is the Premier serious about making changes?

Does he acknowledge that three weeks will not allow him to do that and that the only place to do it is right here in this Chamber where he has the numbers?

The Hon. B.C. Eastick: And the authority.

The Hon. E.R. GOLDSWORTHY: That is what I mean. The numbers are the authority.

The Hon. B.C. Eastick interjecting:

The CHAIRMAN: Order!

The Hon. E.R. GOLDSWORTHY: The Premier's answer is not good enough and it will not do. He promised the public yesterday that he would have another look at it. He raised the expectations of a whole group of people in the community with his promise to review the legisation. Either it was complete deception—a course of action to which we are becoming accustomed—or he will withdraw the Bill and recast it, having considered carefully all points raised by people across the State who are objecting as well as points raised by the Leader of the Opposition. To suggest that as late as yesterday and then do nothing makes it even worse.

The Hon. J.C. BANNON: The Bill was presented on 27 October—a Thursday. We have then had a week plus three or four days and there has been plenty of time for people and the Opposition to look at and analyse the Bill. That should be taken into account. We have had an hour on this clause and I point out that my amendments will improve the Bill. When we can get on to the amendments, that will be apparent.

The Hon. MICHAEL WILSON: The Premier has set out little information for the Committee, in fact, none at all. As I understand it, the Under Treasurer wrote to various organisations in April this year and discussed with them the principle of the Bill.

The Hon. D.C. Brown: The principle of f.i.d.

The Hon. MICHAEL WILSON: Yes, the principle of f.i.d.

The CHAIRMAN: Order! The Chair must pull up the member for Torrens. This clause deals simply with the starting date and has nothing to do with what might have transpired before a certain date. The clause simply refers to the commencement date and I ask the honourable member to come back to it.

The Hon. MICHAEL WILSON: I will directly link up my comments with the date of 1 December.

The CHAIRMAN: The Chair is waiting patiently for the honourable member to do that.

The Hon. MICHAEL WILSON: The Chair will not have to wait long as I will get there quickly. The Premier admitted earlier that no organisations were aware of the details of this measure until the day it was introduced into this place—27 October. Therefore, although they may well have known that the commencement date was 1 December, they did not know the mechanics of the Bill. When the Premier says that he has had consultations with various organisations, he may well have had consultation on the principle of the financial institutions duty (although, certainly not on a percentage), but he would have had no consultation on the mechanics of levying the duty. Will the Premier tell us whether he has had any consultations with organisations (and, if so, which organisations) on the mechanics of levying this duty by 1 December, bearing in mind, as the Leader has pointed out, that the Premier has received a letter from a major South Australian institution which stated that it would cost it $120 000 to $150 000 because it has not got time to get ready by 1 December? My remarks relate directly to clause 2 and the commencement date. We are asking the Premier to tell us what consultations he has had on the mechanics. If he has had consultations on the mechanics of this measure, why then is he insisting that the date remain 1 December?

The Hon. J.C. BANNON: I have not had consultations on the mechanics. I chaired the initial meeting at which we distributed copies of the Bill, about mid September. Since then, of course, my officers have been consulting. At that meeting I was involved in we went through the outline of the Bill and distributed copies of a draft measure. Since then there have been fairly intensive consultations, and, as I instanced, a number of submissions from institutions. That has been conducted at the officer level. I think there has been considerable satisfaction that that process was carried out. While I have never pretended that all institutions are satisfied or happy, the fact is we have legislation of a nature that will enable it to be put into operation on 1 December without too many problems. But, I repeat that there are transitional provisions contained in the Bill to ensure that if there are problems there is a capacity to deal with them.

The Hon. MICHAEL WILSON: Will the Premier explain to the Committee what he intends to do? Because of this starting date on 1 December, we have already instanced that one organisation will be light by some $120 000 to $150 000. That is just one. What does the Premier intend to do? Just to get some definition we will talk about that organisation. What does the Government intend to do to make good the loss to that organisation of $120 000 to $150 000? Do the transition provisions cover that? If the Premier will explain the matter to the Committee and, more importantly, to the institutions and people of South Australia we might get somewhere.

The Hon. J.C. BANNON: Is the honourable member suggesting that we will proceed to further clauses once we deal with this point? We have been an hour on this. I responded to his question. I said first we would have to define that these problems are real and that there is an actual loss involved. I am not convinced of that. Secondly, there are ways and means of dealing with that problem. But, I repeat again that our revenue collection Estimates and our Budget have been cast around this Bill coming into operation on 1 December. Therefore, we must stick to that date.

The Hon. B.C. EASTICK: When the Premier rose to address the remarks of the member for Torrens he said that he had a piece of legislation 'of a nature'. It is because it is of a nature which is unsatisfactory that the Opposition, on behalf of the people of South Australia, is questioning in great depth the starting date and the total implications of the measure. A number of questions have been raised of the Premier as to what form this further consultation will take, in a simple endeavour to determine whether it is physically or practically possible to get the answers from that form of consultation before the commencement date, 1 December 1983. We believe that it is not. There has been in this Parliament House a bigger man than the Premier has shown himself to be thus far. His name was Leonard King. He was the Attorney-General in this place and he brought in a series of pieces of legislation.

The CHAIRMAN: Order! The honourable member for Light would know very well that he is straying away from the clause, which has been pointed out by the Chair on numerous occasions as simply dealing with the commencement date. Would the honourable member come back to the clause.

The Hon. B.C. EASTICK: I would not want in any way to transgress your ruling or suggest that I would seek to go against your word, Sir. What I had to say is completely in line with the next statement I want to make to the Premier. On other pieces of legislation of a complicated nature of this type when the Bill was introduced and having been introduced the Government saw the need at the Committee stage to introduce a large number of amendments, that person asked the Committee to accept the passage of all the amendments that he had proposed. He gave an explanation

of those measures and then promised to come back to the Committee with a clean draft of the Bill after all those amendments had been incorporated. If the Premier is genuine in his desire to have a piece of legislation in place and capable of being competent to deal with the taxation measure that he requires by 1 December 1983, I ask him to give due consideration to advising the Committee now that he would seek to have all his amendments incorporated in due course so that they could then be a vital piece of legislation by 1 December 1983. It would be a clean Bill which not only the Committee but the public generally who are embraced by the various facets of this measure would be better able to understand. I suggest that it is not possible to look at a series of 38 amendments in isolation.

The CHAIRMAN: Order! The Chair must again interrupt the honourable member for Light. He is canvassing the various amendments, and that is completely out of order, and linking them by simply mentioning a date. That will not be allowed by the Chair.

The Hon. B.C. EASTICK: We all have our views on that matter and I bow to yours, Sir. I make the point that the likelihood of this measure's being in place and being a piece of legislation by 1 December 1983 would be enhanced. I am not suggesting that it would necessarily follow that it would be in place, but it would be enhanced if the course of action that I have suggested to the Premier by casting the bow rather longer than just clause 2, a measure which has been used by this House on earlier occasions, is one which I would now ask him to address, so that we may progress beyond clause 2. Otherwise I can see we will be on clause 2 and other clauses for a considerable period.

The Hon. J.C. BANNON: Perhaps this will add light to what I am saying. It is not a question of the public generally understanding or being involved in terms of the actual Bill and its collection. This is a tax on financial institutions. That seems to have been forgotten in the course of this debate. The financial institutions know and understand the implications of this legislation. They can have their arrangements in place by 1 December. It is up to the institutions (and the Act permits this) to determine whether and to what extent they will pass on the particular imposts. There is really no problem in meeting that date of 1 December, because the financial institutions involved in operating the legislation are fully aware of its provisions. We have accommodated most of the points that they have raised without affecting the substance of the Bill. So, I do not think that the honourable member need be concerned about that. As to how and in what way they pass on the tax, that will be their decision. The Act as passed will allow them to do so if they want.

The Hon. B.C. EASTICK: The Premier has not thrown any light on the matter at all. He has only compounded the problem so far as the members of the Opposition are concerned, because he has suggested that it is a matter for financial institutions and that they are the only ones who have to be concerned as to what takes place on or before 1 December. The kick-back that is occurring at present in the public's mind, as well as in church organisations, sporting organisations and financial institutions that work with other financial institutions, is based on the fact that it will impact on every member of the community, because the flow-on of the tax will be felt in some degree by everyone. To suggest that members of the community are not interested and will not be interested by 1 December 1983 as to how it will affect them is to completely misread the genuine public concern that exists. I would suggest to the Premier that if he wishes to adopt that attitude, that the public does not matter so long as he is on-side with the financial institutions (he quite obviously is not because of the number of letters that he has received, the number of letters members on this side have received and the disquiet which has been indicated in the press, all facets of it) he is riding for a mighty fall.

It is a measure which impacts upon the community as individuals, and it is because it is an individual impact that members on this side are concerned. It is because of the impact on individuals that the media is concerned, and the Premier does himself and his Government no good to seek to walk away from it as being a measure for the interest of financial institutions only. It goes far beyond those organisations, and I ask him again to reconsider the position and, for the benefit of the measure which ultimately has to be considered in total by this Chamber, to give due consideration to means which have been used on earlier occasions to facilitate consideration and passage of the clauses in the Bill.

The Hon. J.C. BANNON: I have given consideration to what the honourable member says but I am still convinced that this measure can operate from 1 December. I point out that that was the announced starting date some months ago, and that is the basis on which the Budget has been deposited, so we have to meet that starting date.

The Hon. B.C. EASTICK: Be it on the head of the Premier and his Government: he said the date would be 1 December 1983, and that is to be it. He would suggest that he cannot shift from that date. When we were dealing with the earlier stages of this legislation, I drew attention to a measure passed by this House in 1971 which was withdrawn the day after it was proclaimed, because the Government suddenly found that there were more twists in the tail of it than even it had contemplated. I am suggesting with all due respect to the Premier that there will be more twists in the tail of this one than he and his members understand.

It is far better that he says now, 'Let's move away from 1 December even though it will impact on our Budget', because, if he is in a position of having to provide compensation, as he may well be, to a number of institutions and a number of individuals in the State, the impact on his Budget could be a great deal higher than the loss that he might suffer between 1 December and, say, 1 January or 1 February. I would ask him to give genuine consideration to this matter, believing that that course of action is in the best interests of South Australia and, indeed, of the Government.

The Hon. J.C. BANNON: While there may be people who share the honourable member's doubts or his problems, we believe that the legislation can be effectively operating from 1 December, and it is in that belief that I am insisting on the date.

The Hon. D.C. BROWN: The whole purpose of the Opposition's attack on this point is that there will be financial institutions that will be financially disadvantaged over the operation date of 1 December, simply because the Premier has not given sufficient time to financial institutions to properly prepare for it, to see the detail of the Bill, to amend their computer programmes which cannot be done in a week or two or even in a month or two; far greater time is required to do it properly and to build all the appropriate aspects of such legislation into any computer programme. If the tax is not collected by the people as the transactions take place, it must be collected or paid by the financial institutions on a general basis where the financial institutions actually cover the cost. It is for that reason that I draw the Premier's attention to two points on page 6 of today's *News:* the first is headlined 'The great fiddle tax', and there on one side it has—

The CHAIRMAN: Order! The Chair has no intention of allowing the member for Davenport to start reading from the *News;* it has nothing to do with clause 2.

The Hon. D.C. BROWN: With due respect, and I do not wish to transgress your ruling Sir, the editorial on page 6

makes the point that there is a need for the Premier to think through the f.i.d. tax.

The CHAIRMAN: Order!

The Hon. D.C. BROWN: For the Premier to think through—he needs more than—

The CHAIRMAN: Order! The Chair would point out to the honourable member for Davenport that we are dealing with clause 2, which deals with the starting date. The clause does not deal with the editorial of the Adelaide *News*. I ask the honourable member to come back to clause 2.

The Hon. D.C. BROWN: I am talking about clause 2 and the date of operation. I am pointing out that the *News* editorial today asked that the date of operation be deferred because the whole legislation needed more careful thought by the Premier and his Government. I would like to ask the Premier a specific question: has he received a letter from a financial institution pointing out that if this legislation is to operate from 1 December that that financial institution will suffer a financial loss of over $100 000 as a consequence of this legislation?

The Hon. J.C. BANNON: We have received quite a lot of letters and submissions about this, and I can only repeat that I believe that the problems that have been raised have been exaggerated and I do not think affect the operative date, which is the matter we are debating. They do not affect the operative date. I believe the legislation can be in place by 1 December. I further believe that the transition provisions answer the problems mentioned by the member for Davenport.

The Hon. D.C. BROWN: The Premier has not read the correspondence that has come in—I suspect that there is a fair chance of that—and therefore does not know the detail. All I ask of him this evening is to give a specific answer as to whether one financial institution has written to him and stated that the operation date of 1 December will lead to a financial loss of $100 000 or more. The Premier will not say 'Yes' or 'No' to that. I ask him to be much more specific than to say 'We have received a lot of correspondence on this.' The fact is that the Premier is now admitting that there is more than one; there are a large number of financial institutions which have written such letters to him. I also ask in what way the claim in the letter the Premier received—and I believe he has received one—is unfounded.

I think that the Premier should answer that, because he has said that the transition period will overcome it. We know that it cannot because, unless it is billed to the customer or the person depositing the money as from 1 December, there is no way that one can collect it from the customers of the financial institutions in retrospect. Therefore, it must be billed to the depositor as at that date, otherwise how does the transition period operate?

In what way—without being general, as the Premier has tried to be and brush it aside (and that is the reason why this has dragged on)—has the financial institution which has written to the Premier made wild claims? In what way are the claims it has made to him inaccurate? He has said that its claims are wrong and that the legislation will not have the effect that it has claimed it will have in its letter. How will the transition fix it, and in what way is the letter the Premier received apparently wrong in the assumption that it will cost that financial institution $100 000 or more if it operates from 1 December?

The Hon. J.C. BANNON: I have not said that they made wild claims, but—

The Hon. D.C. Brown: Yes, you did.

The Hon. J.C. BANNON: I am sorry. If I used the expression 'wild claims' I withdraw that. I am certainly not accusing—

The Hon. D.C. Brown: You said there was no basis—

The Hon. J.C. BANNON: Yes, but I did not say 'wild claims'.

The CHAIRMAN: Order!

The Hon. Jennifer Adamson: You said 'exaggerated'.

The Hon. J.C. BANNON: I do not think that is terribly relevant, anyway. I do not think that I should canvass individual or particular submissions made to the Government on this matter. If the honourable member is in possession of some letter, let him show it to me, and I will discuss it with him.

The Hon. D.C. BROWN: I am sorry if I did not use exactly the same wording. I think that the Premier's wording was that the claims in these letters were exaggerated, and I ask the Premier to spell out in what way those claims are exaggerated. As I understand it, the whole hub of the argument is that, if this measure operates from 1 December, it will cost the financial institutions because they will not be able to bill the depositors as of 1 December. The Premier has said that the solution is the transition period. He refuses to give us any indication as to how the transition period will overcome that problem. From what I can see, there is no power or mechanism by which the financial institutions could bill in retrospect depositors who are not billed immediately they deposit the money after 1 December. He has failed to give us any idea of how the solution that he thinks will work will work, anyway.

In what way are the claims exaggerated? The Premier dismisses these letters and the $100 000-plus by simply saying that they are exaggerated claims. It is not a small amount: it is a substantial amount of money, considering that it is coming from one institution. Put all the other institutions together and it would probably add up to millions of dollars. In what ways are those claims exaggerated? If he dismisses them so lightly, I think that the least the Premier can do is give this Chamber (without naming the institution involved if he does not wish to) the details as to why those claims are exaggerated. The whole failing of the Premier this evening is that he has become extremely general. I saw it when the Hon. D.A. Dunstan was Premier.

The CHAIRMAN: Order!

The Hon. D.C. BROWN: If he was ever tied down or embarrassed about an issue, he refused to answer questions.

The CHAIRMAN: Order! If the honourable member for Davenport continues to flout the Chair, as he just has, I can assure him that he will be dealt with, too. The honourable member for Davenport must come back to the clause.

The Hon. D.C. BROWN: I would not want to transgress Standing Orders, but I would like to have answers from the Premier. I suppose that in some ways the Premier is simply trying to incite me into breaking Standing Orders, even though I do not wish to, by continually refusing for the last hour to give any answers. He knows that he has not answered questions ever since the Leader of the Opposition spoke on the second clause. He has refused to give any specific information whatsoever, and it is time that the Premier stopped trying to dodge the issues and gave that specific information. I think that we deserve answers to the points raised.

The Premier himself has put up the solution: he said that the transition period will overcome those problems. How will that overcome the problems, and in what way are the claims from financial institutions—not from the Opposition—that it may cost $100 000 or more per institution if this Bill operates from 1 December—exaggerated? Why are the financial institutions wrong? The Premier has not denied the fact that these claims have been made by financial institutions in letters to him. On that sort of evidence this Chamber has every right to insist that it gets information before it allows this clause to be passed.

The Hon. J.C. BANNON: The fact of the matter is that the honourable member's manner of questioning indicates

that, whatever I say, he will disagree with it. I think that I have canvassed this as adequately as I can. I know that I am not satisfying members opposite. All I can say to that is that I cannot say any more than I have said. Therefore, I think that we are in a position where, if they keep repeating the same question, I can only keep repeating the same answers. I just cannot do any better than that.

Mr ASHENDEN: I would like to address some questions to the Premier about the fact that he is determined to introduce this legislation on 1 December. I believe that the Leader of the Opposition put only too clearly in his questions the difficulties faced by businesses because of the rush with which the Government intends to introduce this legislation. The Leader asked specifically whether the Premier is prepared to reimburse the costs to a financial institution which has written to him, and he asked, because the Premier is determined to introduce this legislation on 1 December, whether the Premier would be prepared to ensure that that financial institution does not lose in excess of $100 000.

The Premier still has not answered that question. He has said that he is not convinced that the reasons put forward by that financial institution are real. I think that that is a gross reflection on the business managers of that financial institution, because obviously before they wrote to the Premier they would have made sure that, unlike the Premier, they had done their homework. Obviously they are convinced that, because the Premier is determined to introduce this legislation on 1 December, their company will lose in excess of $100 000. All we can get out of the Premier is that he will introduce this legislation on 1 December because that is what the Budget has allowed for. Cannot the Premier comprehend that this financial institution also has a budget and that, when it was formulating its budget earlier this year, for the coming financial year, it would have had absolutely no indication at that time that the Premier and his Government would introduce a financial institutions duty or tax? The Premier indicated that at that time (and let us face it: that financial institution would have prepared its own budget months before the beginning of this financial year) even he did not realise that his Government would introduce this tax.

Therefore, how could that financial institution possibly have realised when it was drawing up its budget that it would be called upon to pay out an extra $120 000-plus because of an action of this Government? Does the Premier believe that, just because his Budget will be upset if he puts this off until after 1 December (because he has not done his homework), that financial institution and other financial institutions should be put out in their budgets purely and simply to pander to the Premier's whim that 1 December be the day on which this measure commences? Will the Premier at least acknowledge that he cannot afford to put off the starting date until after December because his Budget would be interfered with because of his own action? The Leader of the Opposition's question about what the Government will do to provide assistance to companies who are going to lose a lot of money because of the duty to be introduced on 1 December is a fair question. The Premier has attempted to get around it by saying he is not convinced that these companies will lose this money.

The point is that the company would not have written to the Premier had it not been convinced that it would lose $120 000. Why should that company and other companies be forced to bear that sort of loss? What sort of confidence does the Premier think that that will build up within the business community, not only in South Australia but interstate, when businesses already here and other houses that might be thinking about coming here realise that the Premier is prepared at the drop of a hat to impose a cost of $100 000 on them? The Premier may think that that is peanuts, that in terms of his Budget it is a mere pittance, and if that is the case all I can say is that the Premier has no comprehension of the way the business world works. Companies cannot afford to lose $120 000 on the whim of the Premier in thinking that his Budget will be upset if a change is made and he cannot therefore accept the budgets of companies in the community. What sort of confidence does this give to the business community, and what sort of reassurance will they obtain when they see that the Premier is not able to answer the question or address himself to the fact that companies in South Australia will lose large amounts of money which they cannot afford to do? Therefore, I ask again whether the Premier is prepared to ensure that any company which can prove to the Government that it has lost money because of this duty on 1 December will be reimbursed by the Government for those losses?

The Hon. JENNIFER ADAMSON: It appears that the Premier is adopting a tactic that he has adopted so often in the Committee stage of a Bill, namely, to sit tight and to treat the Committee and, therefore, the people of this State with contempt by refusing to answer valid questions.

The CHAIRMAN: Order! The Chair does not intend to allow the member for Coles to start a debate on whether the Premier replies to a question or not. The Chair has no control over whether a Minister replies to a question or not.

The Hon. JENNIFER ADAMSON: That is the case, Mr Chairman. December is the biggest trading month of the year for very many trading companies. It is certainly the biggest trading month for retail stores. In December many of the Rundle Street department stores and many other businesses have a level of turnover which determines the difference between an overall profitability or non-profitability. It is a time when retailers take on extra staff and when the hospitality industry takes on extra staff. It is a month when some manufacturers incur overtime on their production lines in order to keep up with the demand for goods as a result of the Christmas shopping rush.

It is essential that members understand the impact of the Premier's selection of the commencement date of 1 December. In the package of tax announcements that the Premier made prior to the introduction of the Budget he was very astute about grading the introduction of those measures, ensuring that not all new taxes and charges came into effect at the same time. For example, that is why the liquor tax will not come into effect until next April, and there are various other taxes. When the f.i.d. commencement date was announced it was no surprise to the electorate or to the Opposition that the Premier selected 1 December as the commencement date. The reason is obvious, namely, because the month of December will have a component (I would like to know the extent of that) which is significant in terms of total annual tax received from this measure. The Committee is entitled to know what is that component, the percentage of the annual tax take of $16 million that will be reaped in the month of December and, indeed, the cost that would be incurred if the measure were deferred either to 1 January or to 1 February.

Not only does the Government stand to extract or extort the maximum amount from South Australians by introducing the measure on 1 December, but the Premier has chosen a time when there is a maximum strain on the staff of all financial institutions. December is the month when the staff in banks are as flat out as a lizard drinking, to use the vernacular. They could not possibly be expected to cope with the initial work load that would be imposed on them by this iniquitous tax. The Premier has not taken that into account and has said that financial institutions have exaggerated the problems involved with this tax. Not only would the preparation for and the collection of this tax in the first instance involve organisations with considerable extra work

but the Premier has deliberately chosen the month when every financial institution in the State will be pressed to the limit coping with the Christmas rush business. We have all experienced the conditions in a bank or other financial institution during the month of December; there are queues at the tellers' windows and the staff work flat out. Extra staff are put on in a whole range of businesses, and because of that bank transactions are multiplied many times.

Most small businesses, for example, bank more frequently within a week and possibly during a day in December. Many of them simply cannot contain the takings that come into their cash registers in an hour in December. So, in the choice of the month of December we have twin factors which affect financial institutions: one is that they are busier than at any other month in the year; the other is that the total number of receipts in December means that the South Australian Government would collect perhaps not a twelfth but a sixth of the total for that month.

It may be more—it may be a fifth of the total. Certainly some of the major stores will take a much greater proportion than one twelfth of their annual revenue in the month of December. The Committee should be advised of two things: first, the component that will be taken in the month of December of the total annual tax take of financial institutions duty; secondly, what is the estimate for January? Again, it is a difficult month to establish because it is a holiday month and many retailers try to develop a higher turnover by holding sales, again necessitating a larger number of bank transfers. The Committee must have this information and certainly that information must be provided before amendments are moved.

The Hon. J.C. BANNON: I have been consulting with the officers and they were saying that it is hard to predict the take because, whilst there are a number of transactions in December, a lot of bills are paid in January and subsequent months. I do not know that the effect would be as pronounced as the honourable member suggests, after looking at experience over the border. My officers suggest about one sixth of the $11 million anticipated revenue would relate to that month.

The Hon. JENNIFER ADAMSON: That response would be an intelligent guess and what most people would expect—double the usual.

The Hon. J.C. Bannon: That is over the period to 30 June.

The Hon. JENNIFER ADAMSON: In other words, the Premier has broken it down on the basis of seven months and not 12 months.

The Hon. J.C. Bannon: Yes.

The Hon. JENNIFER ADAMSON: That assumes a very high rate of credit transactions, many of which would be settled in January. That brings me to the second part of my question. I would have thought that the cash flow in December would be of such an enormously high volume that the answer of one-sixth would not ring true.

Members interjecting:

The Hon. JENNIFER ADAMSON: Yes, my colleagues make the point that the State is on the move as a result of the Labor Government and we could expect the cash registers to be ringing with more vigour in the month of December. The other point, which the Premier has overlooked in his answer, is whether he acknowledges the extreme strain incurred by financial institutions in the month of December, simply because of the nature of that month as a heavy trading month for banks and other financial institutions? This links up with the question pursued by the member for Todd. The additional cost of overtime and additional staff to cope is exacerbated by the introduction of this tax and when the financial institutions say—or one of them says—that it will cost $100 000-plus there is demonstrable validity in that statement.

Does the Premier recognise the additional demands made on financial institutions in December? Also, if his answer to my previous question is accepted that, because of credit transactions, a lot of the receipts occur in January, what proportion or component of the total $16 million will be brought in and collected in January? It is critical that the Opposition knows and understands the situation as amendments will be moved that affect the outcome. What proportion of the total will come in by way of the tax in the two months of December and January? If the Government has assessed a total, it must have done so on the basis of data available to it and, as that data is available, it should not be too difficult to break down in terms of revenue to be obtained in any given month of the year on the basis of past experience of financial institutions.

The Hon. J.C. BANNON: The longer the period over which we are making the estimate, the more accurate we can be as we are looking at the the total transaction. The only way we can get a monthly breakdown is to look at the level of collection in those States where f.i.d. applies. I come back to the point that the date of operation affects the total collection. The Budget has been posited around a particular yield. If, for instance, the f.i.d. was to come in later, in order to achieve that yield we would have to increase the rate or not reduce stamp duties on financial transactions to the same degree.

I do not think we should get involved in that. The remission of that tax is one of the real features of the Bill and should come in at the same time as f.i.d. as ancillary legislative. A delay will affect the anticipated rate of return. Whilst we could make some estimate (although I am unable to do so now), if the member is very interested I will try to obtain the figures. That does not affect my attitude to the date of operation, as we are looking at a rate of return over time. The Budget has been posited on that and the 1 December operative date was the date of which we gave notice some weeks ago.

The Hon. JENNIFER ADAMSON: The Premier's answer demonstrates the same inflexibility as he has displayed in his answers—such as they have been—to all questions posed so far. I find it unacceptable for him to come into the House and say that, if the honourable member is interested, he can get the figures for her. What is a Minister supposed to have when he appears before a Committee of this House which is debating a Bill of critical importance to this State? He is supposed to be equipped with the information. I find it quite extraordinary that the information I am seeking is not available. It is not of a frightfully esoteric nature. It is basic statistical information which the Government must have known about when it developed the Bill. If it did not, how on earth did it arrive at a total? Did it just pluck a total from the air? How did the Government arrive at the total of $16 million?

The CHAIRMAN: Order! The Chair will not allow the member for Coles to carry on in that vein. We are dealing simply with clause 2.

The Hon. JENNIFER ADAMSON: Indeed, we are. There will be subsequent clauses which will provide plenty of material for questions.

The CHAIRMAN: Order! I do not know whether the member for Coles wishes to flout the Chair. She has no right to deal with amendments before the Chair at this time. We are simply dealing with clause 2.

The Hon. JENNIFER ADAMSON: I certainly do not wish to flout the Chair and I was not aware that I was dealing with an amendment. I am referring to the fact that, because the Premier has chosen, and apparently insists on, the date of 1 December, as referred to in clause 2, he must,

in so doing, have had a reason for so doing. I do not imagine that he plucked that date out of the air. He and his officers would have made calculations on timing. They would have made close calculations on the timing of the introduction of this measure to diminish the political impact. December is the beginning of the crazy season when politics tends to get pushed off the front page and the beach girls are often brought further forward than page 3.

Politics gets rather swept into the background. December is a lovely month to introduce a new tax from the point of view of a politician who wants to sweep the whole thing under the carpet, or the beach towel, as the case may be. For the first reason it is politically advantageous to introduce a tax in December because people are occupied with other things, Christmas shopping, booking for their holidays, and so on.

The second reason why the Government would have pursued this matter in very fine detail is to see how it can organise a Parliamenty programme, get the Budget through, and get other Bills through that it requires and at the same time maximise the take from a tax that it wants out of the way, if it possibly can get it out of the way, in 1983. It wants that to be finished, the ledger ruled off on 1 January, and all that nasty stuff is behind us, back in December 1983.

Then there is a third reason, which is that, by introducing it in December rather than allowing the time which is quite clearly required by the financial institutions, it will rake off a lot of cream because whichever way one looks at it, whether it is one-sixth or whatever, December is a huge trading month. For the banks it may be, (I do not know) that withdrawals would exceed deposits; I guess that is fairly obvious. Certainly it is a very demanding month for the banks as is the month that follows, January, when the bills go out and the credit is collected. So, the Committee is entitled to know just what reasons prompted the Government in selecting December in terms of the component that will be brought in as a proportion of the total from 1 December and, secondly, January.

I think the Premier will acknowledge that, because this is such an important sticking point for the Opposition, because we are trying to represent the rights of the people who look to us for representation in this place, we must have accurate information preferably, and definitely, before we can effectively deal with the amendments to which I will not refer but which are, as far as we are concerned, absolutely fundamental to this Bill.

The Hon. J.C. BANNON: Ideally, I would have had this operating from the time the Budget was introduced. In other words, the more of the full financial year operation we could have obtained the better because, if one announces a revenue measure, then the best thing is to get it into operation as quickly as possible. Clearly, that would have been unreasonable. It would not have allowed for the consultation that took place, the setting up of systems, and so on. So, the date was chosen as being the one that would most reasonably accommodate all the needs of the institutions that had to set up, the drawing up of the legislation, and so on. That is why. It is part of the Budget revenue package announced back in August. If we could have had the legislation in place and developed at that stage we would have done so. Incidentally, that may have meant we possibly could have had a lower rate, or something of that nature. The first convenient time that it can be introduced is 1 December. We now come back to the question we have explored now for over two hours in which we have be discussing it. I think that answers the honourable member's question.

Mr ASHENDEN: I come back to my earlier point. As any person who peruses *Hansard* will determine, the Premier did not even bother to answer the question which I put to him.

The CHAIRMAN: Order! The Chair has already pointed out to the honourable member for Todd that the Chair has no control over whether the Premier or any other Minister wishes to answer a question. I ask the honourable member to come back to the clause.

Mr ASHENDEN: Certainly, Sir, but I ask the question again. This time I hope that the Premier will do me and the instituitions concerned the courtesy of replying to what is to them an extremely important question. It is related to the date upon which the financial institutions duty will become operable. I point out again to the Premier that he has in his possession a letter from a financial institution which states quite clearly that, in that institution's opinion, it will be forced to face an additional cost of $120 000 to $150 000. The Premier has previously indicated that he had doubts as to whether that was correct.

From what I have seen tonight, I believe that that company has done its homework far more thoroughly than the Government has. I believe that that responsible company would not have written to the Premier along those lines unless it was certain of its facts. I think the Premier must accept that a company—just one company—has written to him and told him that it will lose $120 000 to $150 000. The Premier has also said that he is determined to continue with 1 December as his starting date because his Budget has made allowances for the duty to commence on that date.

I come back to the point that this financial institution, this company, would also have formulated a budget and it would have formulated it long before it was aware that this Government was going to introduce such a tax. The Premier himself has stated that he was not aware in May whether he would be introducing this Bill or not. I point out to him that most companies are formulating their budgets for a coming financial year well before May. Therefore, we have many financial institutions in this State which would have formulated budgets, totally unaware that the Government would introduce a Bill along these lines. The Premier stated that he had to continue with 1 December, otherwise his Budget will be upset. Can, he not comprehend that those financial institutions which have to now have this work prepared, as the Bill stands, by 1 December, also are having their budgets upset? The sum of $120 000 to $150 000 to a financial institution is a lot of money which it did not budget for. It will be very small comfort to the management of that institution to be told that the Premier is determined to continue with 1 December because the State Budget is going to be upset.

If the Premier will not resile from 1 December that will only add to the lack of business confidence already being felt in this State. Financial institutions will be hit very hard indeed, because they will be forced to pay money of which they were totally unaware.

The Hon. J.C. Bannon interjecting:

Mr ASHENDEN: I am glad to hear the Premier is interjecting this time. At least I am getting a response for a change. Perhaps when I sit down the Premier will give me and these companies the courtesy of replying. I make the point that these companies will be forced to lose a lot of money. It must affect their confidence in this State and their confidence in this Government. It must seriously affect the confidence of any company outside this State which may have thought of coming to South Australia, because it will realise that this is a Government which has not given two hoots about introducing legislation which will cost the business community dearly. I think it is quite reasonable of the Leader of the Opposition, to ask, as he did, that the Government give assurances that, where a company can

show that introduction of this legislation on 1 December will cost it money, that if it was deferred, to say, 1 February, that would not be incurred, and that such companies be given reimbursement to cover those losses.

The alternative is for the Premier to show the resilience which he states he has and accept that 1 December is too early, that it is causing tremendous inconvenience, and will cause financial loss to companies which cannot afford such losses. Why should they be forced to bear losses that they could not budget for purely and simply because this Premier has decided that his Budget needs to have the money coming in on 1 December? Therefore, I again ask the Premier to give this Committee and the financial institutions of South Australian assurance that if the 1 December starting date will cost them money and force the institutions to incur losses which they would not have incurred if the Bill were to be deferred until 1 February that those losses will be reimbursed.

[Midnight]

Mr ASHENDEN: If he does not do that, these companies will have to pay 25 per cent more than their counterparts in Victoria and New South Wales and will only have further cause to believe that this Government is totally disinterested in the private enterprise world that it says is so important to the State.

The CHAIRMAN: Before I ask the Premier to reply, the Chair would point out to honourable members that the Chair cannot force the Premier to reply and feels that it ought to bring to the attention of the Opposition particularly that repetition is covered by the Standing Orders and can be dealt with.

The Hon. J.C. BANNON: We have been two hours on this one clause. I am trying to treat the Committee with courtesy and give replies. The matters the honourable member raises are hypothetical; they are not facts that have occurred. I will give replies to any institutions that write to me or that have problems. That is all I can say at this stage.

Mr ASHENDEN: Again, the Premier has tried to get out of answering a specific question by saying that it is hypothetical. Let me rephrase the point. A reputable financial institution has written to the Premier stating it will incur extra costs of $120 000 to $150 000 if the Bill is introduced on 1 December. A letter stating that categorically has been forwarded to the Premier. The company has done its homework and is aware that it will be involved in costs. It is not hypothetical. If the Premier states, even though he has that letter, that it is still hypothetical, let me ask, seeing that he is not prepared to move the date back to 1 February, whether he is prepared to give a commitment to this Committee and to all financial institutions in South Australia that if, early in 1984, they can prove to the Premier, with figures on their books, that they have incurred additional costs that they would not have incurred had the commencement date been 1 February, the Government will reimburse those costs. If they can show that because of the 1 December date they have incurred costs which they could not have possibly allowed for when preparing their budgets, because they had no idea of the Government's intention, will the Premier give an assurance that those losses or costs will be reimbursed?

Mr MEIER: Today is 10 November, the Premier would like to have this legislation through on 11 November, perhaps through the Upper House, and 1 December is 13 working days from the day the Premier would hope this would pass through the Upper House. It is imperative that the f.i.d., (the fiddle tax) be delayed longer than 1 December. There have been only nine working days since the Bill was introduced. It is obvious, the reaction of various companies and others throughout this State, that many have had no idea of what the great fiddle tax is about. The Premier hopes that it will be passed by 11 November, which I remind members is Remembrance Day. My word, it will be remembrance day if it gets through.

The CHAIRMAN: The Chair will not allow the honourable member to carry on in that vein.

Mr MEIER: I am relating dates to 1 December, which is so close, and therefore it is impractical to bring this f.i.d. into operation.

Mr Mathwin: It was nearly Guy Fawkes night, wasn't it?

Mr MEIER: Yes, mention was made of that the other day. This is far too short a time to bring in a brand new tax. It will come right in the middle of the Christmas rush, when the last thing financial institutions and any business for that matter want to think about is a new tax. They will have to change their operations, to acquaint themselves with this, when they will be trying to make money for their own organisations in December.

Mr Mathwin: They will be taxing children's toys next, their balloons, and the like.

Mr MEIER: I will ignore that interjection.

The CHAIRMAN: I will ignore it, but not for long.

Mr MEIER: I would urge the Premier to rethink this matter. One positive thing, pointed out by speakers on this side and newspapers in this State, is that the Premier has softened his approach on various aspects of the Bill, which shows that no proper thought went into the Bill for a start. He has softened his approach in certain areas, as I hope he will do with the introduction date of 1 December. I hope it will be delayed into the new year.

My objection to 1 December being the starting date relates to a comment made in the second reading debate where I referred to how this tax would affect the rural community. We have heard from the member for Alexandra, the member for Murray and others how it will affect the rural industry. However, the Premier did not seem concerned about its possible effect. When I brought up the fact that to ignore pastoral companies, the rural scene, was the same as ignoring religious organisations, as one church group would be affected to the tune of $30 000, the Premier's exact words were, 'They had not studied the rebate system, so they made a mistake.' He stopped me in my tracks, and I did not follow through an argument I had intended to put concerning the religious organisation, yet the Premier said some time later—

The CHAIRMAN: Order! The Chair does not intend to keep calling the honourable member to order on this question. The Chair has pointed out on numerous occasions that we are dealing with clause 2 and not with the finances of organisations.

Mr MEIER: With due respect, and I can only give you respect, Sir, I am trying to put the argument forward that the effects of this legislation have not been circularised sufficiently to date, and, with only 13 working days after 11 November, I do not believe that it is the opportune time to introduce it. In relation to the church organisation, the Premier went on to say that he would amend the tax if it was found to cause distress or difficulties for these groups. It is clear that more thought has to be given to this measure. It will be interesting in that connection to see to what extent the amendments might help with respect to 1 December. However, I know that the Government's amendments will not have any effect there. In relation to the second clause, the Premier said earlier that the Under Treasurer had written to various financial institutions in April this year, yet we find that on 15 April last, the Premier said:

> I am not attracted to that [f.i.d.]. In terms of our State economy the yield of such a tax would probably not justify the problems in instituting it. And, in any case, evidence suggests that there may be some benefit for us, certainly in the short term, not to have such a duty.

It is very interesting that, at the same time he was circularising this concept of an f.i.d., he was making that sort of statement which seems to contradict perhaps his open statements of what was actually being undertaken behind the scenes. He also mentioned a little later that he would have had it operating from the time of the Budget, and then said:

So the date was changed.

Again, it appears that these statements all go towards demonstrating that insufficient thought has been given from the word go and that, now that the time is running out, panic is setting in, but the Premier is not prepared to budge so far on 1 December being the date when he wants to introduce the Bill. I believe that this is very sad for the people of South Australia, the companies which will be affected by it and certainly the financial institutions that will somehow or other have to adapt themselves to this tax at the worst time of the year.

Therefore, I hope that the Premier will back-track and see that it would be very wise for him to rethink the introduction date and, even though it will be a hardship on our community, nevertheless by going beyond 1 December it will possibly be less of a hardship in the new year when the institutions and companies affected will have more time to consider how to apply the tax and the effects that it will have. For those reasons, I certainly oppose clause 2, and I hope that it will be postponed for a long time into the new year.

The Hon. TED CHAPMAN: It is now somewhat beyond midnight and it is fairly unusual for me to be participating—

The CHAIRMAN: Order! The time of the day is not in clause 2 either.

The Hon. TED CHAPMAN: Fair enough. I think that my presence in the Chamber at this ungodly hour demonstrates my concern about the Bill generally and the implications associated with clause 2 in particular. On returning to the Chamber this evening, in reply to the member for Coles the Premier indicated that when fixing the date (1 December, as cited in this clause) he had done so having regard to a series of commitments to institutions of one kind or another, including certain consultations with those groups.

At what stage did the Premier consult with the rural community in South Australia and with whom in particular were those consultations? While he is seeking advice on that subject, I will take the opportunity to briefly report further bases for my concern in relation to this section of the community. There are considerably more than 20 ,000 primary producers in South Australia. They represent the small to medium business sector of our State. They produce and, accordingly, are involved in transactions of a larger amount of money than are any other community group or industry in this State. The returns to South Australia from exports from that group in the community represent in round figures about 60 per cent of our export income annually. Therefore, I am not talking about a minority group but, indeed, a very important and essential productive section of the South Australian community.

To my knowledge, so far during the Committee stage of this Bill, concern has not been expressed on behalf of the rural sector other than that briefly referred to by the member for Goyder a moment ago when he, in turn, referred to my remarks on behalf of that community during the second reading debate. During the second reading debate I signalled to the House that it was my intention to participate during the Committee stage and explore on behalf of that community some realistic and fair approach to the application of this measure and indeed its introduction on or about a date that was appropriate for that section of the community to cope with.

I am aware that not many members on the other side of this Chamber, if any, are deeply concerned about that section of the community. However, I believe that, when the Premier was preparing this legislation, including clause 2 and the fixing of a date for its proclamation and therefore its implementation, it is a section of the community to which he should have directed some attention. I will be interested in the reply to my first question and to hear the Premier's position in relation to consultation with that group of the community. Will he oblige the Chamber by bringing to our notice the reaction from that community in relation to the measure that he has introduced?

The Hon. J.C. BANNON: For a start, let me say that, as far as a rural community is concerned as well as any part of the community, a tax as broadly based as this will not cause the sort of problems that the honourable member anticipates. Indeed, the honourable member is probably better informed than I am. However, I would imagine that a large number of those in the rural sector have had to resort to finance company assistance for loans at different times, and they would be paying stamp duty on any of those transactions. As part of the introduction of f.i.d., that duty will be done away with. Therefore, that will provide some benefit to some people in the rural sector. Remember that it is a tax on financial institutions. I must keep reiterating that point, and from the beginning consultation and the involvement of the pastoral houses through groups like Bennetts Farmers, Dalgety and Elder Smith Goldsbrough Mort in their umbrella organisations have taken place. Therefore, the interests of the rural community in terms of financial institutions, which are very close to them, have been properly ventilated in the course of the consultations leading to the legislation.

The Hon. TED CHAPMAN: The Premier says in his reply that the duty is on institutions, but the fact is that the tax is on the people and, accordingly, on the clients of those institutions. If in referring to the institutions the Premier means the stock and station agencies which function within this State and that they are the people—

The CHAIRMAN: Order! The Chair will not allow the honourable member for Alexandra to enter into that type of debate. The Chair has pointed out on numerous occasions that we are dealing with a specific clause which deals with a starting date.

The Hon. TED CHAPMAN: With respect, I would have thought that the commencement date was the foundation for this whole affair. My remarks are specifically related to the 1 December commencement date. We know little about it and we are seeking some idea from the Premier of why he fixed that date. Members of the Opposition have elicited a little information after a lot of effort, but, in respect of the section of the community on whose behalf I have asked my question, I have received very little information. I will keep asking until I get the necessary information.

Mr BAKER: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

The Hon. TED CHAPMAN: In answer to my first question, the Premier indicated that there had been no consultation with rural communities of South Australia in relation to this measure. He also confirmed that the measure represented a duty on institutions: accordingly, because the clients of those institutions must pay it, it is a tax on the people. I was concerned to learn, by the Premier's own admission, that a significant section of the South Australian community had not been consulted, unless some arrangement was made with the institutions for them to advise their clients.

Can the Premier outline the position as far as that aspect is concerned and advise the House whether potential tax-

payers were advised second hand about the issue. If the Premier can confirm that, can he indicate the feedback that was received by that secondhand method of consultation? What was the feedback from the 24 000 farming families in South Australia or their representative agencies to the financial institutions? At some time and some how tonight I intend to explore this avenue on behalf of the broad acre community out there beyond the Hills. Because of the publicity that this has attracted over the past day or two, which it will continue to attract, every time we go into the broad acre areas of South Australia we will be faced with a barrage of questions from that community.

The Hon. J.C. BANNON: I am trying to observe the courtesies, despite what is going on here tonight, and I am trying to respond, although I know that complaints have been made that those responses are inadequate. I am not quite sure what else I can do, except perhaps to invite members to give me written answers to the questions which I may or may not decide to read out! I suggest to the member for Alexandra that the people to whom he referred need not be overly concerned. There are certain advantages, and the impact of this tax will not be as great to warrant the sort of fear and loathing campaign that has been developed by the Leader of the Opposition in particular. At least we should settle down and see how the tax works. The institutions involved with the rural industry have been party to the consultation process. I guess, as in anything like this, that that is as much as can be expected when dealing with a type of duty.

The Hon. Ted Chapman: What was their response?

The Hon. J.C. BANNON: They provided submissions making suggestions about the way in which the administration of the tax might operate.

The Hon. Ted Chapman: Did they support the commencement date of 1 December?

The Hon. J.C. BANNON: I cannot give the honourable member that detail because the discussions were conducted at officer level. All I am saying is that they were involved in the consultation process. Surely that is as much as can occur. The reaction of the institutions is another matter.

Mr BAKER: During the second reading debate I referred to the setting up of systems to adequately cope with the measure. That matter has been referred to by honourable members tonight. I do not know whether the Premier has fully understood what we have been talking about. Can the Premier say on what date every financial institution in South Australia had before them details of the full concept of the Bill so that they could make necessary adjustments to their computer systems?

The Hon. J.C. BANNON: The consultation referred to occurred in the middle of September when a draft Bill, a form of legislation, was presented to those institutions and when comments were invited. Responses were received and discussions took place when further submissions were taken into account before the final formulation of the legislation we have before us. In many respects this legislation is in the form in which it was originally presented. Most of the institutions, as I have said earlier, have offices and in some cases head offices in New South Wales and Victoria and are therefore familiar with this sort of legislation. Indeed, their experience has assisted us in the form of legislation here. So, it is not a novelty to the vast majority of financial institutions.

Mr BAKER: I am sorry, but the Premier misunderstood my question. I was trying to get at whether every financial institution in South Australia had during September the full details on which to set up computer systems. Some institutions may initially have escaped the net because, when the Premier was reading out the list of institutions one saw that in some cases they covered groups of organisations such as credit unions and building societies rather than individual institutions. The Premier has no appreciation whatsoever of the lead time of computer software development. He makes the point that a number of firms in South Australia have interstate links with head offices in Melbourne and Sydney. A large number, however, do not have head offices and branches in other States. I refer particularly to credit unions and building societies.

I refer to 1 December 1983. The lead time for software development in its various forms can be as short as a week or two, or in some cases, where there is a massive number of transactions and the system becomes complicated by exceptions, the lead time can be six months or even up to two years. I can quote a very famous computer system called Mandata which started about five years ago and which, as far as I am aware, is still being sorted out. The problem is that the Premier did not consult the institutions on their various software development lead times. It is perfectly plain that the Bank of New South Wales has already handled the tax interstate and therefore it has four more mechanisms set up within its office to handle the problem. However, it still requires development at the local level and is still an expensive proposition. When we get down to a number of other institutions that have had no experience with this form of taxation, we see that the costs are enormous. Indeed, one institution quoted its cost as being in excess of $120 000. The cost to another institution is some $75 000, mainly because it has had to rush into development.

The first question I signified to the Premier in the second reading debate was whether he had any concept of the number of accounts operative during a particular month in South Australia that would be subject to the duty. The second part of that question referred to the mean distribution as it affects the accounts themselves. If the mean distribution is some $100, we will have an enormously expensive system. If the mean distribution is $2 000, the unit cost of the system becomes far less expensive. I ask how many accounts are operative during a particular month for all institutions which can be regarded as financial institutions and which will therefore incur a debit? Secondly, what is the average deposit for each of those accounts? If possible, I would love to know the standard distribution because it affects the setting up cost and the 1 December lead time.

Mr MEIER: It is unfortunate that the Act is to come into operation on 1 December 1983. The member for Alexandra has pointed out disadvantages to the rural community. The Bill comes at a time when the rural community is in the middle of its harvest. As members who serve those areas would know, that harvest is under way and 1 December will see most or all of the State under a grain harvest. At a time when the rural producers face many extra costs, they will be writing out more cheques from 1 December than at any other time during the year.

It seems obvious that the Government wants to capitalise on 1 December, yet, at the second reading stage, it was pointed out that the rural community does not seem to have had the warnings necessary for a 1 December operation date. There is no doubt that it will cause confusion at a time when these people do not want other things on their mind. They are more interested in recouping some of the losses that they suffered during the previous drought disaster. Why should the date be 1 December? There seems to be no good reason why it cannot be delayed until the new year. It would appear, from a number of amendments that have been put forward by the Treasurer, that there are major flaws in the Bill.

The Hon. Ted Chapman interjecting:

The CHAIRMAN: Order!

Mr MEIER: Yes, let alone those put forward by our Leader. It would give people the opportunity to sort through the obvious mistakes in the Bill in order to tidy up an obviously bad piece of legislation, and it would allow greater discussion with groups that will be affected. They will be able to have their say through this Chamber and, more importantly, outside the Chamber. They will have the opportunity to write in and study carefully what problems will be faced. I support the comments that the member for Alexandra has made on the effects that the rural community will suffer with this tax being brought in on 1 December. I could not go much wider than the areas involved in harvesting.

The CHAIRMAN: The honourable member will not go any further than he has already done. He will come back to clause 2.

Mr MEIER: Also, market gardeners are looking at various harvests at about 1 December. With the Christmas market right on them, they are involved in many financial transactions and will have to work on extra material for them.

Mr Mathwin interjecting:

Mr MEIER: Yes, let alone that it is salad weather. Why does this tax have to come in on 1 December? I can see no logical reason why its introduction cannot be delayed. It will be a possible help to the State even though it is bad legislation, which could be tidied up a lot more. Time is needed. Many institutions in the past have shown that if proper thought is given to things, it can come into operation with as few difficulties as possible. Let us have the opportunity to iron out the wrongs in this Act, so that when it comes in, it will not affect the rural community and the rest the State, of course, in the disastrous way that it appears it will affect them if it is allowed to come in from 1 December. Again, I urge the Premier not to allow this to come into operation on 1 December 1983.

The Hon. TED CHAPMAN: This is the last question I intend to ask on this clause.

The CHAIRMAN: Order! It is certainly the last question the honourable member will be asking.

The Hon. TED CHAPMAN: I am pleased to have your support, Mr Chairman. In answer to the previous question, my second on this clause, the Premier indicated that this consultation had been between the Government's officers and the institutions representing the rural section. Can the Premier indicate which of the stock agencies, wool brokers, grain boards, fishing, meat, horticultural and/or viticultural institutions were consulted? I am delighted that the Premier has positively jumped from his seat and is searching for information on this question. If he can give me a fair reply and indeed is in a position to tell the Committee that four, five, six or seven, or hopefully the lot of these important industrial institutions have been consulted by his officers, I will be able to go out in the rural community next week, talk with my people with some confidence, and indeed be in a position to help the Premier sell this piece of (at this stage) unpalatable legislation. But, if he is unable to give me the answers that I have indicated will be necessary, I will have to go out there and face those people in the rural sector and honestly tell them what a bunch of buffoons we have on the other side of the House.

An honourable member: You haven't done that before?

The Hon. TED CHAPMAN: I have, but there have been occasions when I have done it with tongue in cheek. But, here we have the grounds to do it with confidence. Here they demonstrate their inability to put together a piece of legislation that is suitable and acceptable. As I indicated, at this stage it is most unpalatable. I do not want to waste the time of the Committee. As you know, Sir, I would be the easiest going fellow in the outfit and very keen to go home when the sun goes down, like anyone else. With my attitude towards sittings in the night I will refrain from asking further questions on this clause and wait with bated breath for a fair and reasonable response from the Premier.

The Hon. J.C. BANNON: I thank the honourable member for his generous offer to help us sell this tax in the rural community. If I can satisfy him with such an offer, I will find it hard to resist. But I am not quite sure how I can comply. All I can say is that it is a financial institutions duty tax; therefore the consultation has been with the financial institutions. All of those, as far as I can ascertain that have major roles in terms of the rural community or have been involved with funding, like the State Bank, the other bodies and those pastoral houses were involved. I am not sure whether it went beyond them.

The Hon. Ted Chapman: You did go to pastoral houses?

The Hon. J.C. BANNON: Yes, the pastoral houses were involved.

The Hon. Ted Chapman: The grain boards handle all the—

The Hon. J.C. BANNON: No, the grain boards were not consulted.

Mr BAKER: Obviously the soft approach elicits a response, and I will be soft, like my colleague the member for Alexandra, so that perhaps the Premier will convince us of the benefits of this taxation. As this is my last chance, I ask the Premier to answer my two questions. First, I understand that the Premier has details of the proportion of receipts by financial institutions for December, in answer to the member for Coles. The second and more important question relates to the legal situation concerning people going through the transitional provisions of the clause. As they have not had time to develop the system, the transitional provisions allow them to provide a return showing their approximate receipts on which they will be taxed. As the Premier is aware, if the system is not developed, these people cannot debit those accounts. What is the legal status of institutions which cannot accurately gauge their debit system, and when will they be able to adequately debit those accounts under the transitional provisions?

The CHAIRMAN: Order! The Chair cannot allow the honourable member to pursue that line. The honourable member could be asking that question under other clauses. This clause deals with the starting date, and that is all.

Mr BAKER: Thank you for that advice, Mr Chairman. I relate my question to 1 December 1983, the starting date, which is causing hiccups. I am referring to the legal aspect of the introduction of this duty while the system is not developed. My question relates to the early introduction of the duty. What legal right will people have to recompense themselves from their clients? It is different from the computer system, which will allow for a credit to the Treasurer and a debit to the account concerned. Therefore, I seek an answer to the question asked by the member for Coles and information about the legal situation in regard to the transitional provisions.

The Hon. J.C. BANNON: I am not sure that it is in order to provide the answer to the question of the member for Coles for the member for Mitcham. True, an earlier question was raised about the seasonal pattern of banking in regard to the operative date. I hazarded then that over a six-month period there would not be a major difference. More detailed figures have been obtained in regard to trading and savings banks, bearing in mind that about 85 per cent to 90 per cent of the total f.i.d. will be collected through banks. Surprisingly, in the case of trading banks there is no major difference between December and January. Estimated receipts in December are about 17 per cent, and in January about 16.6 per cent. When reference was made to six months, about one-sixth being in December, there was no major

change, and that has been confirmed from examination of the data.

In the case of savings banks there is a difference, but it is not significant. December accounted for about 19 per cent of the six months total and January about 15.6 per cent. Obviously, there is a decrease in January in regard to savings banks. Those proportions compare with about one-sixth, about 16.6 per cent. It is very close to a monthly pro rata position. I guess that until we saw these detailed figures the implication was that there would be a much greater impact in December, but it does not show up in the figures. The second question relates to a much later clause and I would love to get there. It happens to be clause 80. We have been nearly three hours on clause 2. I do not know when we will, but when we do I will respond to that.

The CHAIRMAN: Order!

Mr OLSEN: I move:

Page 1, lines 14 and 15—Leave out 'first day of December, 1983' and insert 'first day of February, 1984'.

The Premier alluded to the fact that we have been three hours on clause 2, and that is because the Premier has refused to answer specific questions put to him. Let me recap one or two of them.

The CHAIRMAN: Order! The Chair points out that the honourable Leader is moving a specific amendment and that deals with a date. The Chair will not allow the Leader to again become involved in a debate similar to that we have already experienced.

Mr OLSEN: I have no intention of doing that, Sir. I want to relate the reasons for the amendments being put down, and I am surely entitled to do that. The reason for the amendment is that the Premier has not attempted to answer questions relating to the operative date of 1 December 1983. He has not been prepared to address the problem of the cost to private sector and financial institutions of this State as a result of this measure being forced on them at such short notice. His stubborn approach has resulted in the delay that has taken place, to which the Premier himself has referred. He has not attempted to answer the question as to whether he will reimburse that financial institution mentioned by $150 000. He merely says the transition clauses will fix all of that.

The Hon. B.C. Eastick: Or report progress until he knew them.

Mr OLSEN: He could have done that but he sought not to. He did not even seek or attempt to get the information. He did not have it and his officers did not have it, or at least he could ask his officers, which he has not been prepared to do. He has not explained the operation of the transition clauses. How can anyone suggest that these transition clauses incorporated in the legislation have anything to do with the subject we have been talking about, that is, the $150 000 cost to the one financial institution we have cited tonight, of which the Premier has a copy of the letter from the board of the bank, sent by the General Manager—

The CHAIRMAN: Order! The Chair will not allow the honourable Leader to carry on in that vein.

Mr OLSEN: The date of 1 December 1983 precipitated the letter I referred to, the cost would be $150 000 to that institution. It is directly related to the commencement date of the clause in this Bill and there could be nothing clearer.

The CHAIRMAN: The Chair has pointed out that the honourable Leader is moving an amendment.

Mr OLSEN: Exactly, and I am linking my remarks to the date and the reasons for the amendment being placed before the Committee, to which the Committee is surely entitled.

The CHAIRMAN: The Chair recognises the point the honourable Leader is making but does not intend to allow him to transgress away from that.

Mr OLSEN: With respect, I have not. We have legitimately sought answers to questions. We are here because the Premier has not attempted to answer those questions. We have seen legislation brought before this Committee, of which this measure is but one, in which there are specific financial questions, and this impinges on 1 December. We asked the Premier on measures previously before this Committee the impact of the c.p.i. on this. He did not know the answer, he stonewalled and sat down. What they will do is sit it out: the Premier has made up his mind to sit it out. The Opposition, the Parliament, and the people of this State are entitled to answers to those questions, legitimately and genuinely asked.

In addition, a number of my colleagues, specifically the member for Light, drew to the Premier's attention a number of examples, including a specific example, detailing the proper course of action that should be followed so that the Bill is not passed by Parliament to become law on 1 December without the full ramifications and implications of the legislation being explained to the Committee. Those details have not been explained to the Committee. If the Premier wants to have legislation by exhaustion, sit in his seat, stonewall, and not attempt to provide answers or give a commitment (and if the information is not immediately available he could provide it later), we will persist in trying to obtain answers because the operative date is only three weeks away. There are institutions that are quite concerned about this measure; so much so that the board of one financial institution has written to the Premier to that effect.

We simply want to know whether the cost of $150 000, which cannot be recouped because the transitional provisions of the Bill do not contain a mechanism for that to occur, will be reimbursed to institutions. The Premier says that he will think about it, look at it and review it. That is not a satisfactory answer on which the Opposition can make a judgment. The Premier then said that that would be covered by the transitional aspects of the measure, but he did not attempt to explain the transitional measures to the Committee or how they will overcome the problem. In fact, the transitional measures for the initial three month period from the commencement date of 1 December 1983 will not overcome the shortfall experienced by an institution.

What about the range of other institutions that will be affected? I know of one institution that has had discussions at board level. The clear impression that we have is that the Bill has not been adequately thought through or considered by the Government. The implications of the Bill, its impact and the commencement date have not been assessed. That is simply not good enough for a major tax measure of this nature. If the Bill had been considered properly, the Premier would have been in a position to respond to the Opposition's questions. It is an abdication of responsibility for the Premier to avoid answering the Opposition's questions. Instead, the Premier prefers to ride it out and have legislation by exhaustion. As an Opposition, we will not sit by and allow that to take place: we will express our concern about the Premier's actions.

I wonder whether the Premier is not prepared to make any move here because that might be seen as a personal backdown. I wonder whether the Premier will leave it to another place to consider amendments to the Bill next week, at a time when the political tide has settled down. The Premier is not prepared to debate amendments in Committee; will he leave that to another place without recognising that there is some substance to them? I can understand how the Premier finds it difficult to understand our concern about the commencement date and the Bill's impact on industry, because he has never worked in the business environment.

The Premier has never experienced the difficulties that financial institutions will experience as from the commencement date of 1 December 1983. The Premier is not aware of the impact and the cost of the provisions of the Bill on institutions. Not having a clear understanding of that, he is prepared to stone wall and simply allow the Bill to pass by exhaustion.

If this Bill is to pass the House by exhaustion, the Opposition will not abdicate its responsibility (as the Premier has abdicated his) to question and gain adequate answers. The Premier has abdicated his responsibility by not attempting to answer the two specific questions that I just repeated to him. The Premier was not prepared to accept the point of view put forward by the member for Light, a point of view that might have allowed matters to proceed a little more quickly in light of the Premier not knowing the answers to the questions before the Committee. We now have a series of amendments that I have placed on file and a series of amendments that the Premier has placed on file at short notice: amendments that the Committee has been asked to address in relation to this very complicated piece of legislation.

The Hon. Jennifer Adamson: We haven't got time to consult outside financial institutions at 1 o'clock in the morning.

Mr OLSEN: That is perhaps one of the reasons that we are being kept here at this late hour. As the member for Coles quite rightly points out, the late hour prevents our checking the amendments with people outside. That is okay. If the Premier wants to prohibit the Opposition seeking advice about these matters, I merely make the point that we will not abdicate our responsibility simply because the Premier refuses to answer questions about the Bill. As with other legislation, the Premier is prepared to stone wall, sit it out and ride through the night. However, no matter how long it takes we will persist in trying to obtain answers all the way through.

The Hon. J.C. BANNON: The Government opposes the amendment for the reasons that I believe have been adequately canvassed during the past three hours. I assure the Committee that I am not stonewalling. I believe that I have responded as courteously and as thoroughly as I could to the questions asked. However, the fact is that one eventually reaches the point where there is a difference of opinion. I appreciate the point made by the member for Light some time ago and I appreciate what he was attempting to do. I can only repeat that 1 December is an operative date that we believe can be attained— and that is our plan. That is where the argument comes to a full stop. I appreciate the constructive attitude to this matter of some members opposite; I do not appreciate the obstructive attitude of others. I can only say that we differ on this matter and that I oppose the amendment.

The CHAIRMAN: The question before the Chair is 'That the amendment be agreed to'; those in favour say, 'Aye'.

Honourable members: Aye!

The CHAIRMAN: Those against, 'No'.

Honourable members: No!

The CHAIRMAN: Order!

Mr LEWIS: I wonder why it is that I missed the call.

The CHAIRMAN: Order! The honourable member for Mallee will get the call when the Chair sees him.

Mr LEWIS: I am sorry that you, Mr Chairman, were unspectacled at the time that I rose. I rose before you put the question.

The CHAIRMAN: Order! I ask the honourable member to repeat what he just said, as I did not hear him.

Mr LEWIS: Mr Chairman, I said that I was sorry that you did not have your spectacles on at the time that I rose.

The CHAIRMAN: Order! I consider that to be a deliberate reflection on the Chair. I do not intend to allow the remark and ask the honourable member to withdraw it.

Mr LEWIS: Insofar as it causes offence, Mr Chairman, I withdraw it unconditionally. I merely sought to find some acceptable reason—

The CHAIRMAN: Order! Does the honourable member wish to speak to the amendment, or does he wish to continue flouting the Chair?

Mr LEWIS: I wish to speak to the amendment, Mr Chairman.

The CHAIRMAN: The Chair recognises the honourable member for Mallee.

Mr LEWIS: Thank you, Mr Chairman. It will be no surprise to members to hear that I support the amendment, not only for reasons given by the Leader but also because I believe, contrary to what the Premier has said about 1 December, that the Premier is insisting on 1 December because a disproportionately high amount of this tax is likely to be collected during the month of December, whether collected on that date, over a period, or by some other mechanism (as yet not revealed) in form of an amendment at some later time introduced by the Premier in a discretionary way. Nonetheless, the liability will commence on 1 December. In the first instance the initial flush of cash sales of this season's lobster catch will have finished and those merchants buying fish will have paid amounts of money into banks in December.

The CHAIRMAN: Order! The question of buying fish is certainly not in the amendment. I ask the honourable member to come back to the amendment before the Committee.

Mr LEWIS: If the amendment is not passed, the Government will collect a disproportionately higher amount of income as opposed to what it would get during other months. It is the Government's intention to collect as much as it can as quickly as possible after the introduction of the measure on 1 December. If the amendment fails, the Government will be relying on the goodwill of all people which is abroad during the Christmas period. That goodwill may not be abroad in regard to some people in this Chamber at any time of the year, night or day, but most people in the community tend to forgive and forget at Christmas time. The Premier is relying on that in no small measure to get past the political odium.

The CHAIRMAN: Order! Again the member for Mallee is straying from the matter before the Committee.

Mr LEWIS: The amendment seeks to enable institutions that will have to collect the tax the opportunity of getting their collection mechanism properly in place. That will not necessarily be possible under the Bill as it stands. I ask the Premier why he refuses to acknowledge that the amendment is legitimate. Is it because he wants to catch the first payments made by the various statutory authorities to the grain growers, which he believes he might otherwise miss out on if he refuses to accept the amendment? Is it because the Premier wants to catch the potato growers after their initial flush of harvest which begins late in November and continues through December and the deposits that are made by the statutory authority which market their crops in this State? Is it because he does not want to miss out on the catch of the soft fruit growers and their high incomes that they receive during December on the pre-Christmas market which is virtually devastated due to the lack of demand in January? Is it because the Premier wants to catch the expenditure of holiday makers to institutions to whom they take their trade and buy their goods and services and pay their bills?

The Hon. J.C. BANNON: I have given those figures to the honourable member.

Mr LEWIS: I am asking not for figures but for reasons. I reject utterly the proposition that there is no variation

between months. In all sincerity so do you, or you would not be sitting there insisting upon 1 December and refusing to accept the reasonableness of the Leader's amendment.

The CHAIRMAN: Order! I have pointed out on previous occasions to the honourable member that the word 'you' is not regarded as a Parliamentry expression. The honourable member should not use that word.

Mr LEWIS: In the heat of the argument I overlooked that fact. I am sorry for the offence that it has caused. I wish to substitute in its place the words 'the Premier and the Government'. Is it because when the deposits are made, as I was saying, the Premier refuses to accept the reasonableness of varying the date to some later time? The deposits made of the 17 1/2 per cent loading on the vast numbers of workers who disproportionately take their holidays commencing in December and who are paid before they go on holiday will be missed if a later date is accepted for the commencement of the tax. Clearly, that must mean that there will be a disproportionate increase in revenue. People who take their holidays commencing on or before Christmas Eve will have been paid—not only their wages in December but also their leave loading. That must mean that if the tax is deferred the deposits made will be missed; they will not fall into the net of the tax.

Is it because also there is a brisk trade prior to Christmas? The velocity of the circulation of money goes up substantially. That has to be acknowledged; the Reserve Bank figures clearly state that the amount of hard currency issued at that time of the year increases. Consumer spending goes up and, accordingly, when the funds obtained from the sale of goods and services at that time of the year are deposited by the traders, they will attract the tax. December is clearly a good harvest month for this kind of tax, and this Premier does not give a damn about the consequences for the people who have to work in the institutions to try to get the mechanisms properly in place to ensure that their responsibilities are met, both as individual employees of those institutions and as institutions of which they are a part.

It is regrettable that the Premier is relying on those factors, and I ask him to come clean and say whether he is relying on them—not only the increased revenue but also the goodwill that there will be in January after the festive season is over, when people will in some part at least have been inclined to forgive him his sin, his folly, his stupidity, his unkindness and his unreasonableness: on the one hand, his willingness to consider only himself very selfishly and, on the other hand, his unwillingness to consider anyone else.

Of course, not very significant—although worthy of mention in the circumstances—is the fact that this year we have seen that it is possible for rabbit trappers to continue taking rabbits in far greater numbers and, accordingly, because myxomatosis has not broken out yet they will make a substantial increased contribution to the increased revenue derived if the tax is introduced other than as the Leader's amendment suggests. Whilst there may be some rabbits in this place now whom myxomatosis has not yet got to—

The CHAIRMAN: Order! That remark is completely out of order, too. The member for Mallee will come back to the amendment.

Mr LEWIS: I am angered by the attitude of the Premier in his indifference to the employees of those institutions who will be made to suffer by his intransigence, and it will be understandable when he has to give explanations to those people through the press, regardless of the fact that he is also required presumably to attend the same number of Christmas functions that they would want otherwise to be able to attend. That is what I see as the unkindness of the Premier's intransigence and the reasons for the Leader of the Opposition's amendment to be accepted. All reasonable people who consider the spirit of Christmas as having any relevance whatever in our community will support the Leader's amendment to defer the date of introduction of this tax and reject the Premier's arrogant, intransigent attitude to that proposition.

The Hon. JENNIFER ADAMSON: I support the amendment for substantially the reasons outlined by the member for Mallee. I do not think I would have gone so far as to bring rabbits into the calculation, but there is no doubt that the Premier is plucking the Christmas duck by insisting on 1 December as the commencement date for the legislation. I am grateful to the Premier for providing the figures in answer to a question I asked earlier in the Committee on this clause in relation to the proportion of the receipts collected through banks in the month of December. Having studied these figures, which I accept were given in good faith—

The Hon. J.C. Bannon: They were only estimates based on Eastern States experience.

The Hon. JENNIFER ADAMSON: Yes, I accept that. The more I look at those figures, the more I feel, for the reasons advanced by the member for Mallee, that they simply do not ring true. That brings me to the criticism that the Opposition has that, at 1.15 a.m. we have no way of checking with the people who will be affected by this legislation or checking that the answers we are being given—

Mr Olsen: Such as they are.

The Hon. JENNIFER ADAMSON: Yes, such as they are—match up with their experience of the situation. I am not accusing the Premier or his officers of deliberately trying to mislead the Committee. I am saying that the percentages show that there is no major difference between December and January. Those assertions must be checked. The Premier is feeling petulant that whatever he says does not please us. This is a critical piece of legislation. It is our obligation to give it rigorous scrutiny. It is our obligation to check and counter check, with the people who will be affected by it, whether the Government's view of the impact of the legislation is in fact the view held by the financial institutions.

Already we have seen a marked divergence of view between the Government and the financial institutions on several matters of great principle. One is the tax itself and another is the cost incurred by financial institutions as a result of the selection of the December date as the date of commencement, and the third point is the proportion of receipts that will be collected in the month of December. If, indeed, the figures that the Premier has provided to the Committee are correct, the impact will not be as dramatic as my colleagues might have expected if the commencement date is deferred to 1 February as proposed by the amendment. If December had been a significant month in terms of a greater proportion of receipts, the Opposition could have more readily understood the Premier's insistence on the commencement in December. As there is not to be, according to the Premier, the huge proportion of take we would have expected, his insistence upon the commencement date is, in our view, unreasonable because of the impact it will have on the financial institutions as outlined. I support the amendment—

The Hon. J.C. Bannon interjecting:

The Hon. JENNIFER ADAMSON: The Premier cannot indeed win. A Government should learn that when it starts to impose new taxes; it will not win. It cannot win and it will not win at the next election. It will be interesting to see whether it wins through in terms of forcing this legislation through Parliament, and it is quite clear that we will sit not

only through tonight but possibly through tomorrow night as well.

Mr Groom: Don't be so repetitive. Get on with the job.

The Hon. JENNIFER ADAMSON: That is exactly what I am doing—the job of representing my constituents. If satisfactory answers had been given to the questions we asked, perhaps the debate might have proceeded with greater facility. But for us to be debating at this hour of the morning legislation that is of such significance—

Members interjecting:

The CHAIRMAN: Order!

The Hon. JENNIFER ADAMSON:—and complexity is an act of gross irresponsibility on the part of the Government. It is clear that what happened (and I will not stray from your ruling, Mr Chairman) in similar circumstances when the Casino Bill was pushed through resulted in shoddy legislation which the Government recognises was inadequate. Obviously, that will be the case in regard to this Bill. This is a highly technical Bill with no less than 80 clauses. We will be expected to examine those clauses in the dead of night, when there is scarcely anyone in the press gallery to report the proceedings, when we have no way of contacting people who will be affected by this Bill. It is nothing less than scandalous. I feel quite sure that, if the Premier was on this side of the House, he would be attempting to kick up as much fuss as he possibly could, and that is precisely what we are doing in the name of the people we represent. I oppose the clause and support the amendment.

Mr MEIER: I reluctantly support the amendment—reluctantly, because I am not in favour of the f.i.d. Because the second reading vote showed that the Government was determined to push ahead, our only choice is whether the Bill is passed with little thought having gone into it on 1 December or whether it can be delayed until 1 February 1984.

Mr Groom: Do you have some doubt about the amendment?

The CHAIRMAN: Order!

Mr MEIER: It will give the various institutions that will be affected extra time to consider what effects the Bill will have and how they can adapt to it. The banking institutions, people whose sole or principal business is the provision of finance, people who deal in securities, trustee companies, management companies, pastoral finance companies and the public trustees, as the principal financial institutions, will have extra time. What sort of extra time? There will be an extension from the current 13 days notice, assuming the Bill is passed on 11 November, to an extra 73 days before they would have to apply the duty. Surely they would be better prepared in having the extra time to assess this financial institutions duty.

Not only financial institutions but also the many groups that will be affected, including the religious groups, charity groups and sporting groups, will benefit from the amendment. The extension will give them the opportunity to put submissions to the Government and the Treasurer and for considered replies to be given. It would give the Government the opportunity to look at the Bill again to see whether it wants to make further amendments in addition to the four pages of amendments it has already signalled. It would be interesting to know just how many of the amendments in the four pages that I have been looking at in the last few days—

The CHAIRMAN: Order! Reference to other amendments is completely out of order.

Mr MEIER: It would be interesting to know how it works out in relation to 1 February as against 1 December. I think that extra time is needed. Advantages of 1 February are many, but before looking at that date I also recognise some disadvantages. For instance, schools will return early in February. There is no doubt that by bringing this tax in then it will hit people who have to pay school fees, buy books, and so on. The charges would vary from small to significant amounts across the State.

From that point of view I find some reluctance in supporting the introduction of the tax from 1 February, but nevertheless there are many advantages. Holidaymakers in the December-January period will not be hit by this extra tax. As we heard before it is just another straw that could break the camel's back. Why bring it in before 1 February when people are finding economic conditions tough enough as it is? They would prefer not to have further financial hardships for as long as possible.

Again, there are events leading up to Christmas such as shopping and the Christmas rush. Christmas cards are another example. If it is brought in on 1 December hundreds of thousands of people will be using extra money. Card dealers and those who sell stationery will pay a considerable amount for that tax. By leaving its introduction to 1 February, that will give some respite to those people. Of course, this will mean a happier Christmas for many more people. The Government needs to do some good after 12 months of doing some bad things. Introduction of this tax on 1 February will give people some respite.

The member for Mallee mentioned one group of people who would be affected—rabbit trappers. I could not quite see the relevance of that remark. But, an item which does relate to the date is that of producers for the Christmas market, such as those who raise turkeys and chickens. We have already heard the horticultural industry mentioned. Of course, flowers are part of Christmas festivities. So, during the December and January period people would be taxed so much more, particularly when money is probably spent at a greater rate than at any other time in the year.

If the tax is introduced from 1 February that will at least give people another 60-odd days. Some firms could be looking at the financial institutions duty in the week or so in January, when there might be time to do so. As we know, preparation for introduction on 1 December has been poor to date. In fact, one newspaper stated that the details of the tax were just being outlined fully, only some 13 days before it was due to operate. Surely, people want more time than that to evaluate exactly what the new measure will mean to them. They should be able to give their viewpoint without having something like this rushed through Parliament and only then realising its full impact. I, too, support the amendment.

Mr OLSEN: Will the Premier please explain to the Committee how the transitional provision included in the Bill from 1 December through will obviate the problems highlighted previously in regard to institutions not being able to recoup the $150 000? How will that transitional provision obviate the problem?

The Hon. J.C. BANNON: This is clause 2, not clause 80.

The Committee divided on the amendment:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Noes (21)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 2 for the Noes.

Amendment thus negatived; clause passed.

Clause 3—'Interpretation.'

The CHAIRMAN: There are multiple amendments. The Chair will deal with each one. The first amendment would be that to be moved by the honourable Leader of the Opposition on page 2 after line 9.

The Hon. B.C. EASTICK: I rise on a point of order, Mr Chairman. If the Chair intends taking that course, I take it that there is no opportunity to question the definitions, which is the normal procedure. That being the case, I would ask you, Mr Chairman, not to call upon any of the amendments until members have indicated that they have concluded questioning the clauses.

The CHAIRMAN: Order! The Chair is pointing out that there are multiple numbers of amendments to clause 3, and that, to deal with those amendments, we will have to do so in the order of precedence. If honourable members wish to debate the whole of clause 3, that is up to them. The Chair points out that there is a multiplicity of amendments, and the first amendment to be dealt with is that in the name of the honourable Leader of the Opposition.

Mr OLSEN: I wanted to obtain some clarification on the definitions, which I understand I am entitled to do. I ask the Premier to explain the term 'sweeping account' and the institutions which will be operating 'sweeping accounts'. In addition, will the Premier advise the Committee at what stage when crediting an account which is dutiable is the duty levied in relation to the crediting of an account?

The Hon. J.C. BANNON: A 'sweeping account' is a category of an exempt account designed to help overcome the problems of double duty arising from a practice which is quite common in banking where funds are gathered together, usually on a daily basis, from a number of accounts in the name of one customer into a single account. By providing an exemption in this area, one is not taxing and retaxing or levying the duty on each of those transactions. It is a recognition of that practice so the point at which the tax is levied is the point of deposit of the account.

Mr MATHWIN: The definition of 'bill of exchange' states:

> 'bill of exchange" means an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at a fixed or determinable future time, a sum certain in money to or to the order of a specified person or to bearer:

That might seem pretty straightforward to the Premier. However, to me it seems a definition that gives some explanation about what is meant, and the answer could possibly be a lemon. That is one part of the Bill about which I am concerned. Clause 3 is supposed to be the interpretation clause: how anyone can interpret that sort of clause is challenging to me. To proceed with another matter—

The Hon. J.C. BANNON: Can I answer that?

The CHAIRMAN: Order!

The Hon. J.C. BANNON: The definition of 'bill of exchange' is as set out there. If one reads the words, one will find—

The Hon. B.C. EASTICK: I rise on a point of order. Whilst appreciating the keenness of the Premier to respond to the question asked by the member for Glenelg, I think that members would appreciate that the honourable member has the opportunity to rise only three times, and it may well be that he has been cut short. The member for Glenelg sat down because he was invited to sit down and I make the simple request as to whether, in the event that the member for Glenelg has given way to a request of the Premier it will be your intention, Mr Chairman, to call him at least another three times on the basis that the first time he may not have necessarily completed his questioning.

The CHAIRMAN: Order! The Chair points out to the member for Light that the member for Glenelg does not have to give way as far as the Chair is concerned to the Premier or any other member within the time allocated to him. However, the Chair took the view that the honourable member had finished his question. However, if he wishes to continue, he is quite at liberty to do so.

Mr MATHWIN: Thank you, Mr Chairman. It was a matter of politeness that I sat down and the offer—

The Hon. J.C. Bannon: It was a matter of politeness that I stood up.

Mr MATHWIN: I appreciate that the Premier was keen to answer the question. I was happy about that, but I sat down only because I am a polite person, especially at this time of night, when I become more polite. I was half way through my question.

The CHAIRMAN: Order! I point out to the honourable member for Glenelg that there are no pleasantries in the clause. The Chairman asks the honourable member to return to the clause before the Committee.

Mr MATHWIN: Under this clause a 'charitable organisation' is defined as follows:

> a body established on a non-profit basis for charitable, religious, educational or benevolent purposes;

Will the Premier say whether that definition includes the many organisations one becomes familiar with as a member of Parliament? Does the definition include organisations such as Red Cross, Minda Home (which operates in my area and the member for Fisher's area), and Meals on Wheels, of which I am a member and from which a number of people receive benefits (the round that I am on serves 26 to 28 meals each day)? Are groups such as the Boy Scouts and Girl Guides included under the definition? Do service clubs such as Rotary, Lions, Kiwanis, Apex, Rotoracts, Leos, Druids and the Oddfellows come under the umbrella of this definition? Does the Surf Lifesaving Association come under the definition? I am a past State President of the Surf Lifesaving Association.

The CHAIRMAN: Order! The honourable member for Glenelg is straying from the clause before the Committee.

Mr MATHWIN: Are the surf lifesaving clubs included in the definition, because a number of them are located in my district, including the Glenelg, Somerton and Brighton surf lifesaving clubs? When I eventually move into the seat of Brighton I will also take in the Seacliff and Hallett Cove Surf Lifesaving Clubs. However, the Christies Beach club will not be in that district; it is in the Minister for Environment and Planning's district. The Hon. Mr Milne, in another place, is at present President of the State swimming association.

A number of organisations and sporting clubs are in the area, and I want to know whether they are covered by the definition. For example, I refer to the Lacrosse Association, which has a Brighton club and a Glenelg club as well as many others. The young people involved in sports have to pay to be members of a club. Of course, most of the clubs, if not all of them, hold various functions, including barbecues and dinners, to raise money to help the club. Would functions such as that subject them to this measure? I will not delay the Committee by referring to all the sporting clubs in the State.

The Hon. D.J. Hopgood: What about the Nature Conservation Societ?

Mr MATHWIN: I know that if the Minister is a member of the Trumpeters Club or the Jazz Club he would be paying his dues and, therefore, the Minister would be up for some of this cost. That applies to everyone connected with sporting organisations, and so on. I presume that the definition of 'charitable organisation' covers all those bodies.

The Hon. Ted Chapman interjecting:

Mr MATHWIN: I do not think that is true, because the Premier is a member of the Enfield Harriers Club, which I

presume comes under the umbrella of the definition. I wonder how many organisations are covered by the definition and whether it includes all charitable organisations. Does it cover all the service clubs and all the organisations involved with the larger sports, such as the racing industry and the breeding industry in South Australia? Are the dog clubs to be included in the definition? Does the definition of 'charitable organisation' also cover service clubs and charitable organisations that raise money in the health area? Does the definition cover organisations that provide cottages for the aged, invalid persons, senior citizens clubs, and so on? Do they all come under the relevant subclause of clause 3?

The Hon. J.C. BANNON: Some considerable time ago the question began with the honourable member's asking about a bill of exchange. That is the standard definition of a bill of exchange as contained in the Bills of Exchange Act. It is a legal definition which can be understood by anyone who uses such bills.

The definition of 'charitable organisation' has been drawn in the widest possible terms quite deliberately, but where the particular organisations fall within that category depends on the legal definition. There is well established practice and case law relating to it dating back to a Statute established in Britain in 1601, which is used as the common law guide. We inherited that at the establishment of the Colony. Of course, that can be modified by subsequent Statute. Basically, the definition talks about bodies that are for a useful or benevolent purpose; their activities must be for the public benefit. In order to ascertain that, one has to look at their constitutions. For instance, a service club may be either a charitable institution or it may not. Just because it is described as a service club does not in itself make it a charitable institution. One has to look at the actual constitution, its objects and the way in which it operates.

Mr Mathwin: They do raise money, don't they?

The Hon. J.C. BANNON: Yes, they may raise money, but if they are essentially social clubs and raise money in an ancillary role that does not necessarily make them charities. Equally, if they raise money to have a Christmas dinner, for instance, rather than to buy toys for children, they would not be charitable. There are well established case laws. In these situations the Commissioner for Taxes applies those rules as contained in the definition and makes the appropriate ruling. If a body wants to challenge that there is recourse to do so, but the line is drawn at that charitable or benevolent purpose.

The Hon. E.R. GOLDSWORTHY: I am very positive about the definition of 'premises' on page 3. It says that 'premises' means a building structure—that conjures up all sorts of things—or place (a country outhouse or something), including an aircraft, vessel or vehicle. I am very puzzled indeed by what it means by 'vessel'. What do we mean by 'premises'? I was very puzzled, so I consulted the dictionary to see whether this is what the legislators had in mind. I find that a vessel is a hollow receptacle, especially for liquid (for example, a cask, cup, pot, bottle or dish).

The Hon. J.C. Bannon: Are you being serious?

The Hon. E.R. GOLDSWORTHY: Yes. I read this through. I am being very serious. I asked my colleague what the purpose was of that definition. When I read the word 'vessel', I immediately thought of a drinking cup and wondered what on earth it had to do with this legislation. What on earth are we on about here under the definition of 'premises' when the Premier is talking about a vessel?

Mr Trainer: An empty vessel makes a lot of noise.

The Hon. E.R. Goldsworthy: You do very well.

The Hon. J.C. BANNON: I will still remain courteous and accept that questions being asked are seriously intended. I know that the Opposition seems to think that it is a bit of a joke. I am not sure how else to treat the debate. Let me assume that the Deputy Leader's question was serious and that he does not understand what a vessel is in the context of a definition which talks about 'a building, structure or place, including an aircraft, vessel or vehicle'. Quite clearly it refers to a boat, ship or something that floats on water. It is a standard legal definition. I would imagine that, in his time as Minister (thankfully a brief time), he probably introduced legislation which contained just such a definition, as it is standard in both State and Federal legislation.

If this sort of farcical behaviour continues, I believe that we are being invited to apply some sort of guillotine or gag. I am not inclined to do that as I believe that some members may have genuine questions to raise. Some amendments are to be moved. However, if the Deputy Leader performs in this way, I suggest that some of his colleagues have a serious word to him and maybe suggest that he go back to sleep.

The Hon. E.R. GOLDSWORTHY: I hope the Premier will be able to make clear what is meant by 'special account'; the definition of 'special account' states:

> 'special account' means an account kept by a bank in respect of which a certificate issued by the Commissioner under section 31 is in force:

Yet, when I consult clause 31 (1), I find that it provides as follows:

> A non-bank financial institution may make application to the Commissioner in a manner and form approved by him for approval of an account kept in the State in the name of the non-bank financial institution by a bank that is a registered financial institution as a special account for the purposes of this Act.

Even allowing for the lateness of the hour, I find that to be gobbledegook.

The Hon. J.C. BANNON: A non-bank financial institution is exactly what it says. I suggest that the honourable member look at the definition of 'financial institution', which means a bank and a number of other listed factors. Clearly, part *(a)* of that definition—relating to a bank—does not apply to the special account clause. I am amazed that a member who has been in this place since 1970 does not understand the rudimentary reading of such a Statute. It is absolutely extraordinary, after being in this place for so long, and after being a Minister, that he cannot read a Statute. That kind of illiteracy is incomprehensible in a member of Parliament. One needs not special training but rather common sense and experience. Common sense may be a deficiency but, after 13 years in this place, one would have thought that an honourable member could read a Statute. It is incredible.

The question of a special account is to avoid double duty. A number of these provisions—just as the sweeping account referred to earlier was aimed at avoiding double duty—provide that a financial institution, which has a responsibility to buy directly in respect of its own receipts, may apply for a special account for a bank which will not attract duty. In other words, it is a means to ensure that there is not the double impact of a tax.

That and the previous question I think have highlighted the fact that the legislation is carefully drawn to overcome a lot of those problems that people have raised. Here is another example where we have a common practice with a non-bank institution as clearly defined where, in order to avoid the double taxation effect, a special account can be stipulated and will not attract duty.

The Hon. E.R. GOLDSWORTHY: It is all right for the Premier to get up and attempt to insult me. He does not even understand the question. I asked him what a special account meant in terms of the gobbledegook of clause 31. The Premier does not even seem to know what I am asking.

The Hon. J.C. Bannon: It is a special account.

The Hon. E.R. GOLDSWORTHY: A special account means an account kept by a bank in respect of which a

certificate issued by the Commissioner under clause 31 is in force. Clause 31 states:

(1) A non-bank financial institution may make applicaton to the Commissioner in a manner and form approved by him for approval of an account kept in the State in the name of the non-bank financial institution by a bank that is a registered financial institution as a special account for the purposes of this Act.

Mr Mathwin: That is as clear as a bell, isn't it?

The CHAIRMAN: Order! The Chair does not allow that sort of thing. We are dealing with a completely different clause altogether.

The Hon. E.R. GOLDSWORTHY: With respect, Mr Chairman, the definition is in terms of the clause I have just quoted, under exempt accounts.

The Hon. TED CHAPMAN: There is a definition of a pastoral finance company, and reference is made to section 11 of the Banking Act, 1959. We in this Chamber do not have access to that Act, and I wonder whether the Premier can tell me the content of that section and its implication in regard to this definition. I appreciate the Premier's efforts to gain that information.

The CHAIRMAN: Is the member for Alexandra seeking advice from the Premier?

The Hon. TED CHAPMAN: I have not quite finished, Mr Chairman. This is a pretty important question. In asking that question and in deference to the request made of me from the member for Glenelg, as he was absent when I was asking questions on a previous clause, I point out that this represents another situation where I believe next week when I head for the sticks those pastoral people and agricultural people out there beyond the hills will ask a question about this and, in order to be properly equipped, full bottle, on this exercise, I would appreciate the same sort of courteous answer and reasonable attitude extended to me by the Premier as indeed he demonstrated during my questioning on the last clause.

The Hon. J.C. BANNON: The Banking Act requires all bodies that carry out banking functions to be registered. However, it provides in certain cases where functions of the banking type are carried out in an ancillary manner that they are exempt from such registration. That is what the reference to that section of the Commonwealth Banking Act means. I cannot quote the precise section, but I am sure that the Library or anyone else could dig it out for the honourable member before he heads to the sticks. That is the basic intent.

The Hon. B.C. EASTICK: The definition of 'approved Government instrumentality' refers to a Government department. There is also a definition of 'Government department', which in turn refers to another section. We are really being asked to vote for a definition the full extent of which is as yet unknown, because the Premier has not given any guidance as to the breadth of the Government departments or instrumentalities that it is anticipated will be caught by this definition or by the subsequent clauses that refer to it.

Are there any special connotations as to what 'Government departments' or 'instrumentalities' means? Is there in the Premier's understanding of the intent that specific Government departments or instrumentalities will not be caught, whether they be trading Government departments such as the Woods and Forest Department, which in every sense is an entrepreneurial organisation or a trading company, or others? Will that department be one that is not gazetted under the subsequent provisions?

Our current definition provides for the gazettal of the exemptions or gazettal of the particular organisations after the Bill becomes law. The other question I put to the Premier arises because there is no definition of the word 'interest'. I am not suggesting it has to be written in. However, the word 'receipt' includes a payment, repayment, deposit or subscription and the crediting of an account. Bank interest, term deposit interest or other forms of investment interest will be caught by the measure, because in the accounts interest is written in.

Therefore, it becomes the crediting of an account with a sum of money. If one puts the book forward the interest is credited to the account. It is not money which is immediately taken out or paid in lieu of being credited to an account. I would appreciate an indication from the Premier of whether it is the Government's intention that interest accruals will become part of the collection process. I believe it is broad enough to allow for that. I want to be quite sure that my belief on this matter is correct, because it is an area which has been suggested by a large number of people as an impost upon them. It is an income, yes, but it is not an income in the sense of the other incomes which accrue.

The Hon. R.G. Payne: The Social Security Department regards that as interest.

The Hon. B.C. EASTICK: That is true, the Social Security Department will certainly take your income if you have it and the Taxation Department will also take care of it. Is it the intention of the Government in this measure to make a charge against interest accruals to accounts as contained within the general concept of the term 'receipt'?

The Hon. J.C. BANNON: Yes. Interest is an income and is treated as such in all areas of tax or elsewhere. So, obviously that would attract duty.

The Hon. B.C. EASTICK: I had hoped that the Premier would have answered the first question that I posed in relation to the breadth of Government departments and instrumentalities. One could also ask a question in relation to the breadth of the terminology associated with 'receipt'. I shall read it again:

'Receipt' includes a payment, repayment, deposit or subscription and the crediting of an account.

Is that likely to embrace a debit from the account? I believe not, but where we talk of payment and repayment, the word 'repayment' in this sense could be looked upon as a debit of the account. The preamble suggests that the Bill is associated with receipts. This fuller definition of 'receipt' suggests that the impact will be broader and in fact will include debits.

The Hon. J.C. BANNON: Yes. It should help if members could ask one question at a time. I understand that everyone wants a maximum amount of time, which I think is a bit rough—

The Hon. B.C. EASTICK: On a point of order, Mr Chairman, I take the inference of the Premier as a slight upon a member who has asked a serious question. I ask you, Mr Chairman, to have the Premier withdraw the implication that he has just made that he has the impression that members want to get many questions on—

The Hon. G.F. Keneally interjecting:

The Hon. B.C. EASTICK: It was stated in a derogatory sense and is consistent with other statements made earlier by the Premier—

The CHAIRMAN: Order! The Chair does not intend to allow the member for Light to carry on a debate. The Chair can only ask the Premier if he wishes to withdraw the remarks to which the member for Light has taken exception.

The Hon. J.C. BANNON: No, I do not wish to withdraw. I wish to make the point that it is easier if I am asked one question and am able to respond to it. To be asked a great series of questions in this way makes it difficult to handle. I apologise to the member that I overlooked the Government instrumentality question. I did that because I was concentrating on the final question asked and not on the earlier ones. I was not seeking to avoid them. That was the point that I sought to make. I do not think that is an implication

at all, and I am amazed that the member has tried to take such a point of order.

Anyway, on the question of Government instrumentalities, as one can see they can be defined by the Treasurer for the purposes of the Act. Most of our instrumentalities bank at the Reserve Bank and, therefore, do not attract tax, anyway; that is, Government departments and so on. The honourable member instanced the commercial aspects of the Woods and Forests Department, and there is no reason why a notional tax should not be applied. The member knows that we apply pay-roll tax notionally. I say 'notionally' because it is a book entry. Departments pay pay-roll tax to the Government, which then refunds to the department. We are talking about a notional concept, but there is no reason why that cannot apply in the case of some of those commercial instrumentalities suggested by the honourable member.

On the question of a receipt, as the honourable member highlighted, the key point of that definition is the inclusion of the words 'the crediting of an account'. In Victoria there is no definition of 'receipt', and certain transactions are deemed to be receipts, but there is no attempt at a comprehensive definition. That approach has not been satisfactory. In New South Wales the words 'crediting of an account' do appear and the way that they are worded has given rise to problems. We have overcome that by, we believe, the inclusion of clause 5, where we define a 'receipt' to which the Act applies. The honourable member should read that definition of 'receipt' in association with clause 5, and he will then be able to determine to what receipts the duty will apply.

The Hon. JENNIFER ADAMSON: I would like to pursue the question of receipts. I hope that I did not miss anything that the member for Light or the Premier said in regard to crediting an account. When an account goes into overdraft, is that reckoned to be a receipt? Certainly, it is a credit to the account and, if so, does the overdraft crediting of that account attract f.i.d.? Most members in this Chamber have probably experienced the unpleasant sensation of looking at the red figures on a bank statement. As the Premier has elaborated on the meaning of the word 'receipt', I am inclined to think that an overdraft register on the statement would attract this impost. I would like clarification of that and I am sure that every citizen in South Australia would appreciate the same, because it would be a further penalty to go into overdraft.

The Hon. J.C. BANNON: An overdraft, and the operation of an overdraft, is a debit and not a credit, but if that overdraft is then returned to credit by payments into the account, obviously that would attract the duty, just as a payment of the account to a credit account would attract the duty. So, the debiting of that account, I understand, will not attract duty because that is not the way in which it operates. Obviously payments into an account will attract the duty.

The Hon. JENNIFER ADAMSON: I am sincerely confused by the Premier's reply. Of course, an overdraft is a debit in one sense, but in the sense that the account customer of the bank has had the overdraft met by the bank—in other words, the bank has credited the account with funds to meet the outstanding amount, then what is in fact a debit becomes for the purposes of this legislation a credit, and it seems that the banks, the Government and the customer would cop it both ways. So, this is an ambiguous question. I know that the Premier gave what he regarded as a satisfactory answer, but I cannot understand it.

The Hon. J.C. BANNON: I think my answer was satisfactory, and I repeat that we have had particular regard to the Victorian and New South Wales situations and have improved by definition on both of those. It is not a double penalty. It is a question of crediting into accounts being taxed, and debits as recorded will not be.

The Hon. JENNIFER ADAMSON: I would like to sort that out with my bank manager when the legislation goes through. However, I would prefer to sort it out now. My other question relates to the definition of 'sweeping account'. I will have to be guided by you, Mr Chairman, as to whether the information that I seek under the definition is appropriately sought under the definition, or whether it is more appropriately sought under clause 33, which deals with sweeping accounts.

The Premier may recall that in the second reading debate I raised the question of a single business, in this case a travel agency, needing to deal with several accounts in order to make payments on behalf of a single consumer. In a quite different capacity the member for Flinders raised the situation of farmers who might have a range of separate categories of accounts which all relate to farm income but which, for what he and I described as programme and performance budgeting purposes, the farmer might like to deposit under, say, the grain income, potato income, pigs and poultry on a mixed farm—

The CHAIRMAN: Order! The Chair has endeavoured to pick up the point raised by the honourable member for Coles. However, the matter to which the honourable member is alluding, in the opinion of the Chair, would be much better dealt with under clause 33.

The Hon. JENNIFER ADAMSON: It is obviously a critical clause because it exempts account holders, when one looks further to clause 37, from financial institutions duty. It seems to me, if I understand it correctly, that it is a key clause of the Bill, and the definition of 'sweeping account' will be further clarified by the Premier when we come to clause 33. Am I right, Sir?

The CHAIRMAN: Yes. The honourable member for Bragg.

Mr INGERSON: I would like to ask the Premier a question in relation to receipts, really in relation to a comment made by a member of the Premier's staff, reported today as follows:

> There will be no duty payable on any form of withdrawal from these institutions.

It further states:

> Customers will be charged f.i.d. when making mortgage repayments or repayments on any other type of loan.

I would have thought that a repayment out of an account was in fact a withdrawal. Another comment as far as withdrawals are concerned is: how does one define or how does the financial institution know when it is a repayment of any particular type at all? Surely, unless they are advised of that matter, when does a repayment become not a withdrawal?

Members interjecting:

Mr INGERSON: The article appeared in yesterday's *News*. It was written by Rae Atkey, and the comment was by Ms Eccles. It was purely and simply a comment on the fact that there seems to be some confusion in any case as to when a repayment is not a withdrawal.

The Hon. J.C. BANNON: We come back to the simple principle that the f.i.d. is attracted by the movement of money into an account by means of payment, so that the act of withdrawing the money is not taxed: no duty is levied on that, but the act of paying it into another account has a duty levied.

Mr INGERSON: In that case, how does one know whether it is a mortgage payment? Is a lease payment covered? I refer to transactions in terms of withdrawal out of any person's account for the payment of anything. How is that defined and picked up by the financial institution?

The Hon. J.C. BANNON: A withdrawal does not attract duty and, therefore, is not a relevant matter that the institution has to determine.

The Hon. B.C. EASTICK: I draw the Premier's attention to clause 3 (3) *(a)* appearing on page 5 which states:

For the purposes of this Act—*(a)* a debt shall be taken to be due notwithstanding that the time for payment of the debt has not arrived:

What is the situation? This could relate to a large mortgage repayment, and I can well imagine that it would have some considerable impact for the grain producers, the Wheat Board, and various other organisations, and certainly in respect of the payment of lump sum superannuation, payment for the sale of premises, property or businesses where, whilst a considerable sum is involved, it may not in its entirety be passed over. There may be some undue delay, yet one would assume from the definition that the intention is that the tax will be paid in advance. If in fact the money is not finally forthcoming, is there a redress for the person who has paid the tax on a debt which, whilst due, the time for which has not yet arrived, never arrives? I ask that question in quite positive terms, not trying to make a play on words.

The Hon. J.C. BANNON: The answer is that it has no relevance and is covered by one of the amendments that I have on file. To anticipate that amendment, it is proposed that it be removed because, while the subclause was adapted from the Victorian legislation, when we had a close look at it appeared to be irrelevant, therefore, it is to be removed.

Mr MATHWIN: When he answered an earlier question I asked in relation to the meaning of 'charitable organisations', I understood the Premier to say, in relation to service clubs and the like, that they have to apply for a dispensation. What procedure will they have to follow in such a situation? The very essence of a Rotary Club is that it is a service organisation in the same way that women's service organisations, which are usually attached to councils, are service organisations. Their sole purpose is to raise funds through many activities and to give the funds raised to organisations in the community in which they are established.

The Rotary Club to which I belong has, in the past few months, raised and given away $3 000 for a caravan to be bought and used by the Red Cross. It has also raised money to build a senior citizens club and a Meals on Wheels kitchen at Glenelg and to assist in a Meals on Wheels kitchen at Brighton. Those are just a few of the projects for which it has raised money. It recently gave a considerable amount of money to Minda Home to buy a bus.

Many people approach Rotary Clubs saying what organisation they are working to help, such as the blind or the deaf, and after they talk to the club it decides whether it will contribute to the organisations mentioned part of the funds it has raised during the year. The club raises that money by way of barbecues, dances, and similar means, merely to give it away to charitable organisations in the community. This would apply equally to Lions, Kiwanis, Apex, women's service clubs, and to many other clubs in the community. The same situation applies to smaller organisations, such as scout groups, which raise money through schemes such as 'Bobs for jobs' and other activities whereby they raise money not for themselves but to give away to charities or organisations that need assistance.

Churches raise money to be used for other than church purposes and distributed throughout the world. Did I understand the Premier to say that such organisations have to apply for a dispensation? I suppose that bigger organisations, such as Minda Home, that are involved in raising funds for themselves are easier to deal with in this regard. Every time service clubs are involved with raising money for a project will they have to apply separately for each project? At times they may be asked for only $500, or it could be $10 000. If they give a cheque to the Guide Dogs for the Blind Inc, which may be only a small amount, say $200 or $500, will they have to apply every time? If, say, a surf lifesaving club wants to raise money for a rescue craft will it have to specify each individual project and give details of what the money will be raised for and apply for special dispensation for that?

One must also have regard to the donors of those organisations, and there are many of them. The oil companies, in particular, in relation to the surf lifesaving clubs, give away thousands of dollars, and no doubt the Premier is well aware of that. An oil company might donate surf skis to a club at, say, Semaphore, or a resuscitation kit for the club at Whyalla (as in fact has occurred), or it might provide for a power boat for a club. Is it the intention that the organisation must apply separately each time giving details of what it intends to do or how much it hopes to raise?

The Hon. J.C. BANNON: The honourable member is referring to the definition in the Bill. A later provision deals with rebates. No, each would not be dealt with separately. At the end of a period an organisation will simply make an application to the Commissioner of Stamp Duty for rebate if in fact it has been liable for tax over $20. If an organisation does come within the definition given in the Bill (and I have outlined how that definition is to be applied), an organisation would have that amount rebated to it. For instance, if an organisation was raising just $500, that would attract duty of 20 cents—hardly worth worrying too much about. If the amount is $3 000, duty would be $120. Let us keep in mind the perspective of this very broadly based tax.

Mr MEIER: I refer to the definition in regard to a registered financial institution, referring to 'a financial institution that is registered under this Act'. Can the Premier identify the type of institution that perhaps would not be registered? I note that clause 63 refers to financial institutions which are not registered but which can apparently still apply under the definition. The second question relates to 'registered short-term money market operator': are there such things as unregistered short-term money market operators? If so, could the Premier give examples of that type of money market operator as is designed to apply under this Act? I am well aware that it is further dealt with under section 63.

The Hon. J.C. BANNON: In relation to the first point, I refer the honourable member to clause 21. This is the problem: it would be better if we could get through the definition clause and on to the clauses, which would provide the answers. Most of the questions have been directed to the impact and what that means in terms of its operation, and that is contained in the Bill. If the honourable member looks at clause 21, and if there are further questions on that when we get to it, he will see that financial institutions that register have to have dutiable receipts exceeding $5 million or, on a monthly basis, $416 000. An unregistered short-term money market operator may not wish to register and take advantage of the clause in the Bill which provides that special rate of .005 per cent relating to short-term money market operations.

Mr LEWIS: The Bill defines 'charitable organisations' as bodies established on a non-profit basis for charitable, religious or benevolent purposes. I would like the Premier to elaborate on what are religious, educational or benevolent purposes, and I wonder whether organisations like the Nature Conservation Society of South Australia or the United Farmers and Stockowners would come under the umbrella of that definition.

The question is particularly relevant in the context of the other clauses in the Bill, to which I shall not refer. It needs to be clarified at this point because of the way in which exemptions can be established otherwise and elsewhere, and

will enable me to determine the relevance of and the necessity to consider amendments that I should possibly move later on. In the dictionary we see that 'benevolent' means 'desirous of doing good, charitable, kind and helpful, well-wishing'. They are matters of opinion, not matters of fact, as to the nature of any organisation. I wonder what kind of organisations would therefore come within the ambit of that definition.

The Hon. J.C. BANNON: I have fully covered that in reply to questions from the member for Glenelg. The short answer is that the case law and practice defines the institutions and the meanings of those words. They are not dictionary definitions. The clause has been drawn as widely as possible. I suggest that the U.F. & S. does not come within that definition. The case law and practice has defined the technical meaning of those words. I am not in a position to give advisory opinions but of course they can be obtained.

Mr LEWIS: I take it then that organisations covered by that case law would be those which often are the beneficiaries of Government grants and which in turn would be taxed. It seems insignificant at this point but, as I said in my second reading speech, this is the introduction of the taxation measure. It is establishing a mechanism by which we will pluck the goose in the future and the degree or extent will change over time. I am concerned about that and concerned about whether trade unions would be included in that category as well as the commercial operations which trade unions might conduct other than what they would do in their principal purpose. We had the instance of organisations like CANE, which I would regard as being other than benevolent. Case law might specify that it was benevolent.

The Hon. J.C. BANNON: I do not think I should be involved in giving advisory opinions as I am not qualified to do so. Off the top of my head, trade unions would not qualify as charitable organisations and I do not know about CANE, although I believe it is unlikely.

Mr MATHWIN: In relation to the definition of 'inspector' it refers to a person authorised by the Commissioner to exercise the power of an inspector under this Act. Who does the Premier anticipate would be authorised by the Commissioner? What type of person would be the inspector? Would he be a policeman—a recognised man of the force? Who does he believe would be the person chosen by the Commissioner to take on that task? Later on, in a clause that we cannot discuss at the moment, the inspector has colossal powers (in fact, powers of the police), as he is able to break into premises and break open furniture and cupboards. If that person is not a police officer or person of great authority, I wonder who it is anticipated will take on the role equivalent to a storm trooper under the direction and authorisation of the Commissioner.

The Hon. J.C. BANNON: Normally it would be the staff of the Commissioner. These persons have to be designated as inspectors. It could be a police officer, although it is not usual. It is the same sort of procedure as applies in any tax. We are talking about the inspection of financial institutions transactions. I do not expect the breaking down of the doors of a private house. Let us get that into perspective. There are the general powers of inspection provided in a whole range of Acts. There are certainly no new, improved, increased, or more Draconian powers. They probably fall far short of the powers in Queensland, for instance.

Mr LEWIS: Subclause (4) states:

> In this Act, a reference to carrying on a business of a particular kind includes reference to carrying on that business in the course of, as part of, incidentally to, or in connection with, the carrying on of another business.

To my mind, that is complicated in the extreme. One business might find itself otherwise exempt prior to this Bill's being enacted. Because it is conducting business of a kind that is exempt along with one that is not exempt, it will suddenly find that all transactions are therefore included and that it will have to take immediate action to divorce the parts of its operation that are not dutiable from the parts that are dutiable or run the risk of having to pay a duty on the lot. Have I understood this proposition correctly, or am I suffering the consequences of having to consider the Bill at 7 minutes to 3 and being confused in the process? Distilled to its simplest form, I believe that that subclause states that in this Act a reference to carrying on a business of a particular kind includes a reference to carrying on that business in the course of the carrying on of another business. I am astonished that it should be necessary to make that point, and I wonder why this subclause has been included in this fashion. What advice will the Premier give those people who might be caught when in effect he would not expect them to be caught if they had two separate business operations going, quite apart from each other, prior to 1 December, one being exempt and one being not exempt?

The Hon. J.C. BANNON: This is a standard clause. It appears in many Acts of this kind, and it is subject to statutory interpretation. This highlights the fact that, although legislators, most of us are not trained in the actual working of Statutes and the formulas to be used. This is a standard clause. It simply picks up those people, for instance, who might deal in securities, which means that it is a financial institution. But that may simply be an ancillary part of a larger operation or business. It is part of something that one does.

This clause means that one cannot argue that, because that part is only a small part, the institution is not a financial institution and therefore it is exempt. If a company is dealing with securities, it would have to be registered as such a dealer. They would be caught up in that way. This simply makes clear an argument about someone who says, 'I am not really a financial institution. That is just a very ancillary part of my business.' If that person is dealing in that way, obviously he is subject to the provisions. However, this is a standard clause and is well understood by those who are practising in business.

Mr OLSEN: I move:

> Page 2, after line 9—Insert new definitions as follows:
> 'cash delivery company' means a company the principal business of which is—
> *(a)* the collection, transportation and delivery of cash; or
> *(b)* the preparation and delivery of pay-rolls:

The object of this amendment is to insert a new definition of cash delivery company. By inserting a new definition at this stage we will enable a cash delivery company to make application under proposed new section 34 (2) to the Commissioner to have an account kept in the name of the company for the purposes of its business approved as a special account. Because of the nature of the business of a cash delivery company in providing what is described as an intermediary service between the company and—I really get worried about the Treasurer taking advice from his advisers.

The CHAIRMAN: Order!

Mr OLSEN: This is an intermediary service between the company, trading banks and customers, and additional incidence of duty always occurs in those circumstances. That is evident in examining the operations of those companies. I referred to this matter in the second reading stage. Cash deliveries as a service to retail firms, credit unions and the like are involved. The company delivers cash and in return receives a customer cheque.

On banking, that cheque attracts f.i.d. in the company's bank account, but, if the customer was to cash his cheque at his own bank, no f.i.d. would be levied. As part of a cash collection service, the cash delivery company issues one of

its own cheques to the retail customers who, on banking in their own account, are levied an f.i.d. charge.

On banking the cash collected, the company is levied a second f.i.d. charge for the same value. Not only does this measure cover those two areas but also it comes into the ambit of cash pay-rolls, which are pursuant to agreements in regard to a client and a client's bank. The cash delivery company draws cash on behalf of clients from the client's bank, then presents pay-roll deliveries to the client, in exchange for the client's cheque for the value of the pay-roll. The customer would cash his cheque at his own bank, and in this instance f.i.d. would not apply. The computerised pay-roll cheque is another service that comes under the ambit of a cash delivery company. Agreements are made with client and client's banks. The cash delivery company draws cash on behalf of clients and prepares the pay-roll. It is delivered to the client in exchange for the client's cheque. The computerised pay-roll cheque service comes under the ambit of cash delivery companies.

When lodged to the credit of a bank account of the cash delivery company, they will attract f.i.d.. If the client issued its own cheques it would not be payable. The amounts passing through these accounts are not funds arising out of or generated by commercial activities of the cash delivery company: no value is added. It is not the aspect upon which that company is making the profit. The flow of that money is not something upon which a value is added. The amounts merely represent the funds of the client required by the cash delivery company in order to provide its collection and pay-roll services.

The fees for the services provided by the cash delivery company are not paid through any of these accounts: the fees are charged and banked separately. Because building societies and credit unions are unable to obtain cash directly from the Reserve Bank and must, with the exception of smaller country locations, utilise the services of cash delivery companies they, too, have f.i.d. passed on as an added cost of an operation. There is no doubt that it will be passed on. Clearly, the non-banking institutions are being discriminated against. That is my reason for wanting to insert in this interpretation area a new provision delineating 'cash delivery company'.

The payment of wages and salaries also concerns operators of those collection and pay-roll services. I refer to small business men such as supermarket, service station or take-away food operators. The f.i.d. will be levied on cash going into accounts, and cash delivery services will be paying an amount of duty when it goes back in cash in its own account. I am clearly giving an instance where the companies providing a service will be taxed twice and will be discriminated against.

The Hon. B.C. Eastick: It's double dipping.

Mr OLSEN: Yes, it is a tax on a tax. It is an anomaly and inequity in the legislation. I know that companies have put a case to the Government, which I presume has been unable to accept their arguments in the consultative process. That is the only conclusion that one can draw.

The Hon. B.C. Eastick: They consulted?

Mr OLSEN: Certainly, there was no consultation in the final analysis because, in discussions with the companies last week, they related their objections to the Government's taking advantage of what are prudent arrangements for the management and moving of funds. If such arrangements are not used, one opens up other arrangements for the flow of cash payments and salaries. In terms of security, this is undesirable. I do not want for obvious commercial reasons to identify the individual amounts set out by the two companies concerned, but $700 000 is involved in f.i.d. collections in which no profit is involved. Rather, the duty is collected as a result of channelling money from one source to the other.

The Hon. Jennifer Adamson: The $700 000 is the aggregate f.i.d. of those two companies.

Mr OLSEN: Yes, that aggregate is $700 000. Significant sums pass through those companies. This highlights one of the inequities of the current legislation. If we insert this definition it will enable me in clause 34 (2) to provide for due credence to be given to this problem. Because of the highly competitive nature of the industry, margins are slim, competition is great, and two such companies cannot absorb $700 000 of duty levied on them. No one could expect any company to pick up $700 000—they cannot absorb it. Obviously, that will be passed on to clients. Either the client will absorb it, and I fail to see how they will want to—I fail to see how they will want to absorb any more—

The Hon. B.C. Eastick: Being wages, it will impact on the cost of living.

Mr OLSEN: It will. The client then passes it on to employees as a service deduction, if it is able to do so, and then PAYE earners will be the ones disadvantaged by this tax. Through the use of cash delivery companies the Government is trying to use a wider net than otherwise would be the case. I can only assume that, because the Government did not respond to the initial representations made to it in the consultation process, the Government is willing to pick up that aspect and take on board the companies' concern.

Through my amendment I hope to bring this problem to the Committee's attention so that we do not have double taxing as it relates to some institutions and where non-banking institutions are being discriminated against compared with the banking sector. This provision is an inequity and an anomaly that should be addressed. My amendment will allow us later to consider a substantive amendment in clause 34 (2).

The Hon. J.C. BANNON: I am aware of the problems raised by the Leader, and some of the points raised are quite valid. Representation has been made to us, and there has been some agonising as to how we should deal with it. Clause 5 (9) has been designed to overcome the problems of cash delivery companies, as described by the Leader. We concede that while that picks up the bulk of the business which they do, other types of transactions are undertaken which may attract duty where that is not intended. The problem with inserting a blanket definition is that in New South Wales they have no such provision; the clause to which I have just referred and which comes later has apparently proved adequate to deal with the problem.

The Hon. Michael Wilson: What about Victoria?

The Hon. J.C. BANNON: I am not sure about the position in Victoria. It does not accept that situation. In fact, they do levy duty in Victoria. The Leader has suggested that this reused definition would provide a means for the later amendment to catch up with this particular area. I am not happy with his proposed amendment as it falls outside the form of the Act proposed in clause 34, and we intend to oppose that happening. However, that does not mean that it would not be possible to accommodate some, if not all, of the matters raised by the Leader by way of a different sort of amendment to that clause. I am prepared to accept that definition on the basis that when we get to the appropriate place in the Bill in a later clause we will move a further amendment to fit that situation into the framework of the Bill as it is rather than within the framework that the Leader has suggested.

The Government is prepared to accept that definition, but I foreshadow that the way of treating the cash delivery company we see as being different within our framework. I will move at a later stage an amendment different from

that moved by the Leader. However, the import of that amendment will achieve the result that he desires.

Mr OLSEN: I take it, therefore, that the Government is prepared to accept the present amendment, that that amendment will amend the section on interpretation, and that there will be a later amendment that seeks to establish the same objective as we have established in clause 34 (2)?

The Hon. J.C. BANNON: Yes.

Mr OLSEN: Exactly the same objectives?

The Hon. J.C. BANNON: As I understand the objective, yes.

Mr OLSEN: I accept and welcome the commitment given by the Premier.

Amendment carried.

Mr OLSEN: I move:

Page 2, lines 10 and 11—Leave out definiton of 'charitable organisation' and insert definition as follows:

'charitable organisation' means a body established on a non-profit basis or charitable, religious, educational or benevolent purposes and includes a trustee who holds property on behalf of such a body.

This amendment seeks to widen the definition of 'charitable organisaton' to include reference to those charities that act in the capacity of trustee of property held by a charitable organisation. I indicated during my second reading speech that, at a later stage, the Opposition will be seeking to move some further amendments in relation to the meaning of the definition of 'charitable organisation'. It was important, prior to seeking to move the later amendments, to have an appropriate definition of 'charitable organisation' established because we believe that the definition on page 2 does not go far enough and should include a trustee who holds property on behalf of such a body. This can be a signficant aspect when one looks at a number of organisations and the trustees that they have holding significant amounts of property for them. The property is specified for the purpose of charitable organisations so that it can undertake its work within the community by virtue of the fact that the arrangement of the affairs of such an organisation should not prohibit it from seeking eventually total exemption from the financial institutions duty; or, at the least it ought to encompass the area to which the up to $20 figure applies, if the Opposition is not successful in attempting to have charitable and sporting organisations and the like exempted from having this impost placed on them at all. This amendment is brief but clear in its attempt and objectives.

The Hon. J.C. BANNON: As with the previous amendment, I have no fundamental objection to the amendment because it is certainly true that in the case of some charitable bodies trustees do hold property in the names of those bodies, and a broadening of the definition to include such trustees does not strike at anything fundamental to this legislation. The problem, again, as with the earlier amendment is that the consequential amendments that the Leader will seek to move do not fit within the scheme that the Government is providing under this rebate scheme. It will require a further amendment to be drawn up under our scheme to achieve the purpose that the Leader has in mind.

The Hon. Michael Wilson: Do you mean the philosophy of the Government scheme or the mechanics?

The Hon. J.C. BANNON: I am saying that while I will not object to the definition being extended in this way in order to ensure that there is no avoidance or misuse of the clause we will probably have to tighten and slightly redraft the later clauses relating to the impact of being a charitable organisation, bearing in mind that the scheme in our Bill is establishing a rebate system whereas the Opposition seeks to amend by some form of exempt account system. I find myself in the same position as I found myself with the previous amendment—I can accept the definition but give notice that by so doing I am not accepting the consequential amendment to be moved by the Leader. We will, in turn, place a further amendment before the House which fits the broadened definition into our scheme of arrangement.

Mr OLSEN: If the Premier is willing to accept the broader definition at this stage while indicating that he wants to move an amendment later which has a different objective to what we propose in our consequential amendment, when will those amendments be placed before the House?

The Hon. J.C. BANNON: There is no great difficulty in drafting them. I hope that by the time we reach those clauses the amendments will be ready, which should be within the next half an hour.

The Hon. MICHAEL WILSON: I think this is most important. A lot hinges on what the Premier is now saying and we need to be exactly sure of what he means. Is the Premier now accepting the Opposition's further amendment that charitable organisations will be exempted entirely? We need clarification at this stage.

The Hon. J.C. BANNON: I thought I made it clear that the Government is maintaining its position in regard to the rebate system as set out in the Bill. The Opposition has sought to amend that system to an exempt account system. The Government does not support that. The Government is prepared to broaden the definition, but we will do it within the context of the rebate scheme, and not within the context of the Opposition's proposed exempt scheme.

Mr EVANS: It would amaze me if the Premier was accepting the amendment in part and that, for example, the churches would have to pay $20 for every account that they have, applying to every little parish organisation whether it be a local country parish or a major city parish that might be running several accounts. Will each of these have to find $20 a year, or is the Premier exempting them from those charges in total?

The Hon. J.C. BANNON: The Leader's definition simply adds the words 'and includes a trustee who holds property on behalf of such a body'. I am saying that whatever is the end result of the treatment of charitable organisations, that addition to the definition seems a reasonable one. In relation to how we intend to treat charitable organisations, that is a matter that will be addressed quite a bit later in the debate. However, I have already foreshadowed that we will be persisting with the scheme as outlined in the Bill. I have had some preliminary discussions with some of the church organisations, and my officers will be pursuing the matter in detail over the next few days. By the time this matter goes to the Legislative Council we might be a little clearer about just what form of amendment will be appropriate. However, at this stage the Government is not prepared to make any moves. We will wait until we have had further discussions.

Mr EVANS: I have been around the place for some years, and I know that both political Parties, when in Opposition, have made the error of accepting in the Lower House that something will happen in the other place when the Government has had an opportunity to further look at a matter. At that stage a Bill can be passed and so the chance for the Lower House to take further action is lost, and nothing further can be achieved. At times the press has taken us all to task for allowing that to happen. The Premier is saying that he will give some consideration to the matter but that he does not really accept what we are setting out to achieve. He is asking us to have a bit of faith in him while he thinks about it. The end result will be about the same as the original proposition anyway. For that reason, I do not think the Premier is conceding any ground at all. The statement about the Government leaving the matter to another group of people in the other place for them to make the right decision cannot be accepted by this Chamber, which is

attempting to produce a Bill suitable to be proclaimed as law in South Australia.

The Hon. J.C. BANNON: On a point of order, Mr Chairman. The honourable member is addressing a matter that will be referred to much later in the debate namely, the question of how one treats charitable organisations. If the honourable member is opposing my acceptance of the Leader of the Opposition's amendment let him say so, and perhaps he will vote against it. I suggest that his remarks are not relevant to the clause before the Committee.

The CHAIRMAN: The Chair would have to uphold the point of order.

Mr EVANS: The Premier referred to our leaving the eventual result of this definition to consideration in the other place. The Premier referred to that and I was making a point in relation to that. I am concerned that we should consider saying—

The CHAIRMAN: Order! The Chair cannot accept that line of discussion.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 2, lines 16 and 17— Leave out definition of 'company' and insert definition as follows:

'company' means a body corporate or an unincorporated association (including a partnership).

Further consideration of the provisions of the Bill relating to the responsibilities of companies, their officers, and especially clause 61 of the Bill, has resulted in this proposal for some redrafting of clause 61, and that has a consequential effect on the definition of 'company'. In a sense this is consequential on a later amendment which is simply a redrafting for clarification purposes. In effect, the definition is not altered by the rewording of it. It would simply bring it into line with the provisions of clause 61.

The Hon. MICHAEL WILSON: It would help if the Premier could tell us exactly what it will achieve.

The Hon. J.C. BANNON: It will achieve greater clarity.

Mr OLSEN: In referring to the fact that it relates to clause 61 is the Premier referring to clarity as it relates to variation of the interpretation of the consequential amendment, or is he relating clarity to the amendment on file to clause 61? Also, will the Premier explain to the Committee what clause 61 as amended seeks to achieve, so that we can be aware of the implications of that before looking at the consequential amendment he is putting to the Committee at this stage?

The CHAIRMAN: The Chair doubts whether suddenly we can refer to another clause when we are dealing with an amendment to clause 3.

The Hon. MICHAEL WILSON: A point of order, Sir. I submit to you that it is one of these times in Committee when it is extremely important that the Chair is tolerant. I must say that you are usually a very tolerant Chairman. We need to know whether or not we support this amendment of the Premier.

We cannot make the decision unless we know what is the intention of the amendments that are later proposed by the Premier for clause 61. It is basic and fundamental to the attitude of this side that we know that. Otherwise, we are in a vacuum. I ask for your tolerance in this matter to allow the Premier to explain, on the basis of clause 61. It could save the debate later on, anyway.

The Hon. J.C. BANNON: If I can foreshadow, I would be in order.

The CHAIRMAN: It is a delicate situation. The Chair will allow the Premier to foreshadow, but again we are dealing with clause 3. If the Premier wishes to foreshadow, the Chair may be a bit lenient in that regard.

The Hon. B.C. EASTICK: A point of order, Mr Chairman. If one takes your predicament to the next degree, the other option is for the Premier to indicate that he will recommit clause 3 after dealing with clause 61. The end result would achieve what we are seeking and, if it is less messy to you, Sir, the Opposition would be quite happy to accept it.

The CHAIRMAN: That is a question for the Premier or for the Committee to decide, not for the Chair. The Chair is simply pointing out that we are in the throes of dealing with an amendment to clause 3, and the Chair cannot allow a debate to be entered into on clause 61, which is not before the Committee.

The Hon. J.C. BANNON: In a sense, even if we did not alter clause 61 later, there would not be a major change. The definition is not altered in effect, but simply wording it in this way would bring it better into line with the amendment to clause 61. If for some reason that does not happen I do not think that anything is lost.

Amendment carried.

Mr OLSEN: I move:

Page 2, lines 31 and 32—Leave out the word 'or' and paragraph *(e)*.

The new section 34 (5) *(b), (c) and (d),* if it is successful later, would supersede lines 31 and 32. We are still in that position of looking at these matters that will be consequential upon the putting before the Committee of later amendments. In terms of section 63 of the Land and Business Agents Act the agents and land brokers are required to pay all moneys received by them in their professional capacity to a designated trust account. Likewise, under section 31 of the Legal Practitioners Act legal practitioners are required to deposit any trust moneys received in the course of their practice in a designated trust account.

In my second reading speech I revealed that, in the case of conveyancing transactions, the situation exists where one settlement transaction will attract duty on three occasions; so, I am seeking to amend this section so that the consequential amendments that I will put to the Committee at a later stage will address that. For example, in relation to land brokers the financial institutions duty will be levelled at three stages (first, when the buyer's funds are paid into his broker's trust account; secondly, when those funds are transferred to the selling broker's trust account; thirdly, when the selling broker pays the vendor). In the case of a property sold for $60 000 the State Government receives something like $1 700 in stamp duties as a result of current provisions related to conveyancing of that nature, on the memorandum of transfer and the like, and other duties and charges to be paid out by the land brokers on the purchaser's behalf. On top of that, the financial institutions duty will now have to be paid, not once but three times on the same transaction. That amounts, in effect, to a tax on a tax on a tax: not double dipping, but triple dipping is really the net effect.

Legal practitioners will be liable for this new tax not only on conveyancing transactions but on other moneys held in trust on behalf of their clients. Often these latter amounts can be quite considerable, as I am sure the Premier would acknowledge. In other words, the effect of the Bill will be to have an inbuilt multiplier effect on business transactions of a conveyancing and legal nature. That will increase the cost of houses and legal services, and those are two objectionable effects of this measure before the Committee.

Therefore, we seek at this stage to leave out the word 'or' and paragraph *(e)*, which then will enable me to move a further amendment, this amendment being consequential on that. Of course, it has to be recognised that the duty can be avoided by bypassing the trust account. Even the Premier would acknowledge that that is undesirable from an audit and a security point of view. We ought not to be putting in an inhibiting factor to encourage the bypassing of that system. For that reason, I seek the Committee's indulgence

to accept that amendment so that at a later stage I can move an amendment which will give effect to that anomaly in the legislation as the Opposition sees it.

The Hon. J.C. BANNON: That is not acceptable. I have already indicated that we are committed to the scheme that we have established in the Bill. To the extent that this cuts across it we cannot support it.

The Committee divided on the amendment:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Noes (21)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 2 for the Noes.

Amendment thus negatived.

The Hon. J.C. BANNON: I move:

Page 3, line 5—Insert 'but does not include a person declared by or under this Act not to be a financial institution:'.

This is not a matter of fundamental substance: it is a clarifying amendment in the light of the submission that we received based on clause 6 (1), which sets out persons and bodies the receipts of which are not to be regarded as being receipts to which the Act applies, and to clarify conclusively where a company will not have to register as a financial institution.

Amendment carried.

Mr OLSEN: I move:

Page 4, line 15—After '31' insert 'or 34'.

I will seek to insert new clause 34 detailing additional persons that are eligible under subclause (2) of proposed new clause 34 to have an account kept as a special account. Those additional people are land brokers, land agents and legal practitioners, to whom reference has already been made. It includes the provision for special accounts to be conducted by charitable organisations. Clause 77 relates to the maximum fee of $20 in regard to all bank accounts and is separate.

The Hon. J.C. Bannon: It sounds like gobbledegook to me.

Mr OLSEN: It is not. If the Premier read the amendment he would see that it is consequential on new clause 34 that I propose. There is no gobbledegook to it. What I intend is quite logical and systematic. Recognising that the Premier has already accepted the broadening of the definition of 'charitable organisation', it would be appropriate, I believe, for the Committee to accept this simple amendment.

The Hon. J.C. BANNON: Again, we are testing and retesting the same principles. I cannot accept it.

The Hon. JENNIFER ADAMSON: As far as the Opposition is concerned this is one of the clauses on which we are going to the barriers. Through this amendment we are attempting to protect a whole range of people who should never be included in this duty, who are going to be deliberately disadvantaged because of it and who are trying to help the disadvantaged. The Premier, with his more or less cursory reply, has dismissed the legitimacy of this provision and has virtually refused to entertain the idea of it. When those two simple words are read in conjunction with new clause 34 (it is difficult not to refer to that clause, even though we are a long way from it; it deals with charitable organisations eligible to have an account kept in their name approved as special accounts), one can see that it deals with sporting organisations eligible to have an account kept in their name as a special account.

In fact, it is the escape clause for a whole range of bodies which the Premier acknowledged, if he was correctly recorded in yesterday's *Advertiser*, that he would examine. If those people were to be disadvantaged as a result of this legislation, he said that he would examine the situation. It is just not good enough for the Premier to buy time and perhaps a little bit of political amnesty from the media by saying he will examine something if, within 24 hours, having accepted it, he simply rejects the notion out of hand as he is doing in opposing this amendment and the consequential amendments.

This amendment and clause 34 have been carefully thought out by the Opposition after consultation with those bodies to whom the Leader referred in his second reading speech and whom the media have picked up as being institutions which should not be brought within the ambit of the Bill. By simply dismissing the validity of this clause, as the Premier has done, he is paying scant regard to a large number of organisations in South Australia that will certainly not be pleased when they read the account of this debate and see that their needs and the basis of their existence have simply been swept aside by the Premier's refusal to entertain special consideration for them.

There is a case to be made out for giving special consideration to these groups. We believe that the way in which the Leader is proposing is the most effective way in which it can be done, and I urge the Premier to reconsider what he is doing and abide by the undertaking that he gave, as recorded in yesterday's media, to look at the needs of those groups. In urging him to do that, I ask him to give a range of reasons to the Committee, or at least his substantial reason, why he, having looked at the needs of these special groups, rejects the special consideration that we wish to give them that is inherent in the amendment.

The Hon. J.C. BANNON: I have already explained, and I hope that this is the last time I have to explain, that these needs are being taken into account. In fact, I have had personal contact, and there has been follow up from my officers, with those groups. Some discussions will be taking place and, when this Bill is in another place, I hope that by then we will have a response to solve those problems. In order to ensure that this Bill remains on its time table as far as institutions are concerned, that is how we will handle it. There is no problem there—the matter is being dealt with. I cannot support the amendment.

Mr OLSEN: What the Premier has explained is an absolute nonsense. It is intolerable that the Premier should be saying, 'Do not worry about your amendments, it is all in hand; we will go and talk to the people and we will fix it up in another place at another time.' That is simply not good enough for the Opposition to accept, and I do not believe that it is good enough for the Treasurer to be putting in this Parliament. We should be considering the matter in total and, if there are any inequalities and anomalies in the Bill—the Premier acknowledges that by his very comment a moment ago—we should not be proceeding with this legislation until the anomalies are sorted out.

In his own words the Premier acknowledges that there are problems with this legislation, that there are holes in it and that the Government is out in the community trying to patch it up. While the Government is trying to patch it up we are being asked to process the Bill through the Parliamenty system. Certainly, that is an unprecedented approach in the Parliamentary process.

The Hon. J.C. Bannon: For how long have you been a member?

Mr OLSEN: You know how long I have been here—four years. The clear point is that the Treasurer has introduced a Bill on which he has not done his homework. Cabinet has not clearly identified the Bill's implications. Certainly,

the Treasurer has been stunned by the reaction of community groups as a result of this legislation, which is why he is taking that course of action in an effort to patch it up. I do not believe that the Opposition should be asked by the Treasurer to accept legislation in that form and to debate it in this Chamber, because it makes the debate an absolute nonsense. The real reason why this Bill is being put through in this manner and why we are being asked to accept it on an *ad hoc* basis is that the Premier is unwilling to acknowledge here and now that he has a faulty Bill. He is unwilling to do something about it here and now to fix it up by accepting amendments that will overcome the anomalies.

The Premier is unwilling to back down, which is what it amounts to. He wants to shunt it off to the Legislative Council and, when it is a little quieter up there, accept amendments and let them flow through the system so that he does not have egg on his face as he has now as a result of this Bill. Getting down to basics, that is what this is all about. That is why the Treasurer is trying to do it next week rather than fixing up the Bill during the appropriate stage here in this Committee.

We have seen the height of ignorance and the abdication of responsibility tonight, especially in the Treasurer's non-answers to specific questions asked of him. They have been purposefully not answered, yet the Treasurer has been willing to sit there and ride them out. That is just not acceptable to the Opposition in this Parliament, nor should it ever be acceptable to any Opposition.

The CHAIRMAN: Before calling the member for Coles, I point out that before the Chair is a simple amendment. I hope that we might just deal with the simple amendment without straying from it.

The Hon. JENNIFER ADAMSON: The amendment which you, Mr Chairman, correctly describe as being simple is profound in its implications and, therefore, it deserves serious consideration by the Committee.

I found it quite extraordinary that the Premier on the one hand could acknowledge the validity of Opposition claims about the importance of this issue and virtually acknowledge the proper way in which the Opposition has recommended that the difficulties of the groups mentioned be overcome, while on the other hand saying, 'Yes, we acknowledge that, but we are not going to do anything about it. We are going to leave it to the House of Review to do something about it.' That is what the Premier said; 'We are going to leave the Bill to be tidied up in another place while, in the meantime, we are going to try to talk our way out of it with the churches and charitable and sporting organisations.'

The job of a House of Review is to consider legislation that has already been rigorously examined by this House and has passed this House in the knowledge of its members as being as good as it can be. Very often it is not as good as it can be and needs further modification. However, in this case we are about to abdicate that responsibility, if we go along with what the Premier is saying, and send this legislation to another place—a piece of legislation which the Premier acknowledges is inadequate, shoddy and inequitable and about which he is saying to the Upper House, 'Okay, you fix it up there.' That is not good enough for us: we want it fixed now. It may well be that, if this amendment is accepted in the space of time that will lapse between the debate on this clause and subsequent examination of it in another place we may see further alterations being required that we cannot now see, despite the fact that the Premier says that 11 days have elapsed since its introduction.

I do not think that many voluntary organisations or groups take weekends into account when consulting on legislative matters, so the practical time taken has not been as long as the Premier claims. This is still a rush so far as the community is concerned, and most people have learnt what they know about it through the media—they certainly did not find out through consultation with the Government. To suggest, as the Premier has done, 'Sure, there are inadequacies but don't worry about them because someone else can fix them up later; don't worry your little heads about it because we will do it when it reaches the Upper House' is wrong in principle, bad in practice and the kind of conduct that the Premier (when Leader of the Opposition) would not have condoned for one moment, and neither will we.

The Hon. MICHAEL WILSON: The Premier's course is quite clear. Out of his own mouth and by his own actions he has virtually stated to this Committee the very reasons for what should have been the acceptance of the Opposition's amendments to clause 2. I am not going to canvass that. In fact, the Premier has given the very reasons for that in what he has said here tonight. His course is clear—if he really wants to introduce this legislation properly, bearing in mind that the Opposition is opposed to it, he should report progress and lay this legislation aside while he goes on with his consultation, has a proper look at it and gets the necessary amendments drafted. He can then bring the legislation back to this place when it is ready and start it again in February or March rather than from 1 December. That is the only sensible thing that he can do.

There is no doubt that, even after this legislation has passed through the House of Review, there will be further amendments necessary to be made to it within a few months. That has already been shown in this place by the very amendment that we are now dealing with. It is a good example of what I am saying and has already proven that this legislation is shot full of holes. The Premier should report progress and have the legislation laid aside while it is investigated and it should be brought back when it is in a correct form to put before this House.

Mr LEWIS: I welcome this opportunity to express my views on this legislation.

The Hon. J.D. Wright interjecting:

Mr LEWIS: Careful, you just might say too much.

The CHAIRMAN: Order!

Mr LEWIS: I am concerned about the Premier's behaviour relating to this matter. It reminds me very much of the way one has difficulty in nailing down one of those large slugs one puts one's foot on that slips away.

The CHAIRMAN: Order!

Mr LEWIS: This is the way the Premier has acted with this clause tonight.

The CHAIRMAN: Order!

Mr LEWIS: Are you calling me to order?

The CHAIRMAN: Order! The honourable member for Mallee is reflecting on the Chair.

Mr LEWIS: Not at all.

The CHAIRMAN: I point out to the honourable member that he has strayed completely from the amendment before the Committee and if he does not come back to it I will deal with him.

Mr LEWIS: It is quite clear, as the Premier has acknowledged, that we need to do something about this legislation. The Opposition has identified a legitimate deficiency in the drafting of this legislation. The Government has acknowledged that deficiency and the fact that the legislation is inadequate. Although the Government has acknowledged that, the Premier simply said, 'I am not going to accept it here, I will do it somewhere else.' If that is not metaphorically speaking the behaviour of a slug I do not know what is—one cannot get a grip of him. It is impossible to deal with this person. Maybe it is the behaviour of a weasel—one never quite knows where it is until it has one's jugular.

The CHAIRMAN: Order!

Mr LEWIS: This is what is going to happen to these organisations. As I have said before, this is a new tax and the rate of taxation is insignificant, a fact that has been acknowledged. However, it is another method of plucking the goose, the goose being the taxpayer and the plucker the Government. It will not be long before the Government decides that it has to increase the rate of taxation so, whilst it is insignificant to these organisations at the present time, the Premier knows that, in due course, those organisations (if they are caught in the full sweep of the net as they are at the present time by the Bill before us) will find themselves paying higher and higher rates of this tax as time goes by if this Government, or Governments of the same philosophy, are in office. There is no other way in which they will get their money. Businesses will be broke. There will be no payroll tax to collect and no mines to get royalties from. I believe that the Premier is quite right in acknowledging the necessity to amend the Bill before the House in the fashion that the Opposition has suggested. If he is quite right in so doing, then why on earth he cannot accept the proposition put to him by the Leader (who will be the next Premier) I do not know. We make no bones about that to Jack Horner, Tom Thumb and Little Miss Muffet.

The CHAIRMAN: Order! The Chair has been very tolerant, but at the moment it is not taking the situation very lightly. I now warn the member for Mallee and I suggest that he take my warning very gravely.

Mr LEWIS: I was explaining to those characters who comprise the backbench of the Government that this principle, as acknowledged by the Premier, is wrong. He has acknowledged that there is an error in the Bill but, nonetheless, he is not prepared to accept an amendment in this place. He is going to try and con the public in the meantime while the Bill awaits consideration in the other place. If he can get away with that, he will do so. He has already conned the public by telling the print media and other journalists that he would consider the amendment and gave everyone to believe that an amendment such as that moved by the Leader of the Opposition would be accepted in this place either last night or this morning.

The Premier and all the members of the Government know that that is so. Despite that, they are prepared to mock this place by denying that the Government has a responsibility to fix up the Bill. Why is that so? I was astonished to hear the Premier say that he would not accept the amendment. I was also astonished at the extent to which Government members were prepared to ridicule me when I drew the attention of the House to that lack of principle in the Premier. I believe that if members opposite are people of principle and commitment and if they have seen the same deficiencies that the Premier has acknowledged exist, they should support the Leader's amendment, and in doing so make sure that this place maintains its integrity and purpose and the respect that it should have in the eyes of the public in doing the job that we are all paid to do as legislators while we are here. We are not rubber stamps for political Parties. We have a responsibility, and when it is identified, why the devil can't we accept it? I challenge all members in this place to accept that responsibility here and now.

Mr EVANS: I point out to the Premier that all his predecessors of whatever political philosophy have found at times that legislation they have introduced when subjected to debate by people of different minds and philosophies and representations from the community has been found to have faults and that the original intent of the legislation was not going to be achieved. The records show that faults that have been identified have been minor compared to the faults that the Premier admits are in this Bill. In such cases Bills have been left in their original form while amendments have been negotiated having regard to representations made by outside bodies, and then amendments considered to be totally acceptable by the Premier of the day have been introduced. The Premier has admitted that at the moment his officers have been instructed to negotiate as soon as possible with certain bodies to try to overcome problems that have been raised either by the news media, by outside bodies or by the Opposition. The Premier said that those negotations were taking place. There are seven categories of persons or organisations that will be affected.

For example, in regard to sporting organisations, if I asked the Premier to identify which sporting organisation his officers are talking to at the moment, I do not believe that he could be specific about that. Yet, he is asking this House (which is the instigator of most of the regulations on the Statute Book) to accept a proposition to pass the Bill and accept his assurance that his officers will keep up the negotiation and that at some time in the other place they might correct some anomalies in the Bill. That is not acceptable practice, and none of the Premier's predecessors carried out such a practice.

Traditionally, where difficulties have been found in a Bill, members in this House have said, 'Sorry, there needs to be more research', and the Government has looked further at the Bill and brought it back later. I am convinced that the time constraint on the Government arises due to lack of money. However, this is the same as any other project in life in that if a plan goes astray one does not go ahead to put up a faulty building, say, or in this case a faulty proposition, as the Premier is asking us to do now. This House has found faults in the Bill and for that reason, in all sincerity, I am saying to the Premier, having regard to all the precedents that have been set in the past by Governments of all philosophies—

Mr Groom interjecting:

Mr EVANS: Yes, it has happened, and the member for Hartley knows it. In fact the former member for Hartley took action himself on one occasion. I remember that one night former Deputy Premier Hudson as Acting Premier took the same action. For those reasons I say to the Premier in all sincerity we should report progress. I move:

That progress be reported and that certain matters be clarified before we consider the Bill further.

The Committee divided on the motion:

Ayes (19)—Mrs Adamson, Messrs P. B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans (teller), Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen, Oswald, Wilson, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 3 for the Noes.

Motion thus negatived.

The Hon. D.C. WOTTON: We are in an incredible situation at present. We sought the opportunity to report progress to try and sort this whole sorry situation out. We are looking at a situation where we are being expected to adopt faulty legislation.

The CHAIRMAN: Order! The Chair cannot allow the honourable member to proceed with that type of debate. The Chair has an amendment before it and that is what the Chair will accept—nothing else.

The Hon. D.C. WOTTON: Let me refer to some of the anomalies that we find have already been agreed to by the Premier. Let us look at some of the organisations that will be disadvantaged as a result of the situation we are now in.

The Leader referred to a number of these yesterday: he referred, for example, to the Catholic Church and indicated that that church would be liable for up to $30 000 a year in duty with another $24 000 tied up until it was refunded under the provisions of the tax.

He went on to refer to the Uniting Church: it was estimated that it would cost that church up to $40 000 a year, apart from the impact on other charitable branches of the church such as the Adelaide Central Mission, which had estimated that the tax would cost it $6 000 on a 1982-83 income. Obviously, the Premier and the Government are prepared to just wipe all this aside. They are perhaps interested in talking with some of these people, and perhaps they may do something about it at a later stage.

Minda Home would have to pay $4 400 during the year. As the Leader indicated in his second reading speech, the tax would also apply to the Good Friday, Telethon and various Christmas appeals. It is all very well for the Premier to say that he is not interested in all these things, but many organisations out there are concerned—such as the Crippled Children's Association, Minda Home, the Anti-Cancer Appeal, and so on.

What did the Premier say about it in the *Advertiser* on Wednesday? In his office after the debate he told the *Advertiser* that all Mr Olsen was trying to do was whip up fear. We know all about that; we know the genuine concern which has been expressed and which is being felt by those organisations that will be severely disadvantaged as a result of this legislation. He went on to say that it is clearly not the intention to impose liabilities of this order on churches and charities. If there are problems in relation to the accounts, 'we will make amendments'. So, we have heard again tonight when the Premier refuses to take positive action to rectify the situation in which we now find ourselves.

He expects us in this place, after indicating and acknowledging that there are anomalies, to forward faulty legislation to the Upper House. If we are to sort this matter out, let us sort it out here and now in this place so that we at least can be satisfied when the legislation moves from this place into the Upper House, but let us not be put into a situation by the Premier just to overcome the problems that he and the Government are now experiencing by having to fudge this thing over and send faulty legislation into the Upper House. That is not what we are about. I urge the Premier to reconsider this matter seriously.

Mr MATHWIN: I support this amendment, and I am more than surprised—disappointed, in fact—at the attitude of the Premier when he said that he will leave it to the Upper House. It is the first time for a long while that I have heard a Premier from the Labor Party say that he has his full confidence in the Upper House. In fact, it is usual for Premiers of the other side of the House to think very little of the Upper House.

This Premier has said that it does not suit him and, therefore, he will leave it. He does not explain to us, tell us why or give us any reason at all about the situation. Indeed, he just says in a blase fashion, 'We will leave it; we will get it fixed up in the other place', without any explanation of what it is. People may think that it is a small matter, but it is not; it is a very large matter. It is a very serious situation, and members would do well to reflect on just how wide this amendment is and what will happen. A very special consideration should be given to these special groups and to these people who are within the organisations. The Premier cannot wipe them aside with a flash of the hand, as he did, and say, 'It is okay; I know that you have the problem.' He has admitted it: 'We know that there is a problem there and I am sympathetic to it to a certain extent, but I really do not know how to fix it.' That is what he really meant.

The Premier says, 'Let us leave it for a while and as it goes from here to the other place, through no-man's land, something will work out.' The Premier will probably leave it to the legal eagles, such as the Attorney-General, to fix. That is not good enough, because the person responsible for this Bill, in charge of it, and its architect is the Premier. Quite frankly, if the Premier does not know, understand, or have the answers; it is not good enough. I do not blame him for that, because it is a complicated issue and no-one could be blamed for not understanding the situation, but at least the Premier should be honest and say, 'I really don't know the answer.' That is what it is all about. The Premier does not know the answer, so he realises that there is a problem, but he does not want to fix it. He cannot fix it, because he does not know how. The Premier must get help from somewhere, or perhaps he believes it will be sorted out in another place.

Quite honestly, we cannot tolerate that situation. Members on both sides have a responsibility to dress up this legislation. That is our job. If there are problems, it is our job to sort them out. It is not our job to pass it on and let someone else do it, to leave it, and to say, 'There is a problem but we will leave it to someone else to fix, because we don't really know what it's all about.' The Bill is involved. Proposed new clause 34 involves many difficult areas. I am quite sure, with all sincerity, that my learned friend from Hartley would have many problems in understanding the situation completely. I give the member for Hartley credit: he knows what he is about, and he knows his business. He is a lawyer, and he has a lot of common sense.

The CHAIRMAN: Order! The member for Glenelg is now debating the question. I ask him to come back to the clause.

Mr MATHWIN: Thank you, Mr Chairman. Quite frankly, I was not debating: I was complimenting the honourable member in all sincerity.

The CHAIRMAN: Order! This amendment has nothing to do with the member for Hartley. I ask the member for Glenelg to come back to the amendment.

Mr MATHWIN: Very good, Mr Chairman. I do not want to flap the Chair. I was just saying that the member for Hartley—

The CHAIRMAN: Order! I hope that the member for Glenelg is not going to flout the Chair.

Mr MATHWIN: That is the last thing I would wish to do. Proposed new clause 34 covers areas from the securities industry to trust accounts, special accounts, and legal practitioners (who are eligible to have a trust account kept in their name under Part III of the Legal Practitioners Act, 1981 approved as a special account). This deals with special accounts, and that is an area about which the member to whom I must not refer would know a lot. It refers to an agent or a land broker (and I think we have one of them in this place) within the meaning of the Land and Business Agents Act. That person is eligible to have a trust account kept in his name for the purposes of his business as an agent or land broker approved as a special account. That is a different aspect: it is a different profession. Some people know about that profession and others desire not to know.

Another area that comes within the scope of proposed new clause 34 is a charitable organisation, which can have any account kept in its name approved as a special account. That opens a fair bag of worms. We have been through that area, and I will not repeat myself by naming off the cuff the hundreds of charitable organisations that would be involved.

Members interjecting:

Mr MATHWIN: Sporting organisations would also come under the scope of proposed new clause 34, and they would be eligible to have any account kept in their name approved

as a special account. But we have been through that: I mentioned a few of my favourite sporting organisations, such as different types of lacrosse clubs. Those organisations come under the ambit of this proposed new clause. It is very involved, and I have referred to only a handful of the organisations that it would embrace. It is not good enough that the Premier wipes it off with a flick of his finger and says that he will leave it for someone else, whether or not he believes that members in the other place (with all due respect to them) are more knowledgeable than are members here. I am sure that the member for Hartley will be only too happy to advise the Premier on just how wide this area is. Even he, as clever as he may be, could not give the Premier the exact information that he desires.

The CHAIRMAN: Order! The Chair points out to the member for Glenelg that it has already advised him that this amendment has nothing to do with the member for Hartley. The Chair does not intend to advise the member for Glenelg again along those lines. The member for Glenelg must refer to the amendment.

Mr MATHWIN: I have to apologise again, Mr Chairman. I am a reasonable person, and I became carried away with the moment in trying to give information to the Committee in relation to the knowledge of certain people in this House (whom I am not supposed to mention). Other areas come under proposed new clause 34. Cash delivery companies are eligible to have any accounts kept in their name for the purpose of business approved as a special account. We are talking about special accounts, and one could go on and on in relation to people being allowed to have special accounts.

The CHAIRMAN: The Chair can assure the member for Glenelg that he will not be allowed to go on and on.

Mr MATHWIN: Thank you, Mr Chairman. As I said earlier, the areas are very wide and varied, and I believe that the Premier admitted some time ago that there were problems. However, the Premier would not give us a reason, although he admitted that there were problems. He said, 'We will not deal with them. We will let someone else take the brunt and the responsibility and make the effort.' In actual fact, if the Premier had been quite honest about it, he would have stated that he did not know and that he would have to get outside help.

Mr Ingerson: The member for Hartley.

Mr MATHWIN: No, outside help from people who know. It is unfair of the Premier to expect us to accept that as an explanation. As I stated, our responsibility is to tidy up the legislation, to do that to the best of our ability. When that is done, it goes to another place for further review. In the meantime, we cannot leave everything to another place. We must do our job as responsibly as we can. The Premier has not done his job responsibly in regard to this clause. Certainly, the Bill is difficult, complex and hard to understand. There is no member in either Chamber with the ability to understand it.

The Hon. Jennifer Adamson: It's unfortunate the member for Hanson is not here.

Mr MATHWIN: He would have had a good grasp of the matter with his practical experience in banking, and the like. He would understand the picture. If we continue making the same progress as we have, the member for Hanson may still be able to participate in the debate. The Bill is serious and important and Parliament should not be expected-

The CHAIRMAN: Order! The honourable member's time has expired.

Mr MEIER: This amendment deals with special accounts and provides:

> 'special account' means an account kept by a bank in respect of which a certificate issued by the Commissioner under section 31 or 34 is in force.

New clause 34 sets out who is eligible under subclause (2) to have an account kept in the State by a registered financial institution. That person may apply 'to the Commissioner in a manner and form approved by him, for approval of the account as a special account'. One point to raise immediately is the phrase 'by a registered financial institution'. Earlier, I asked the Premier what were unregistered financial institutions. The question was answered and this clause of the Bill clearly restricts what areas these charitable, sporting or church organisations can apply to for a special account. There is a safeguard because they are the larger institutions in which they can request such a special account.

I refer to two of the categories of organisation who can apply for a special account. One is a charitable organisation and another is a sporting organisation. The Premier stated that he would amend the Bill if it was found that the tax caused distress or difficulties for such groups, that is, charitable or sporting organisations. Now it seems that the Treasurer is unwilling to amend it to help them, because this amendment is aimed at helping such groups. Such groups have asked for consideration. It has been reported in the press that the f.i.d. was slammed by charities, sporting bodies and church organisations. This amendment seeks to resolve that problem. The Treasurer wants it to be done in another place. It is now 10 November, and obviously members will not be in an excessively fit state to analyse clearly amendments other than the ones that are presented to them for the coming 24 hours, which means that Thursday will have gone. It is the last sitting day of Parliament for this week and unless a special sitting is called for Friday, there will not be time for proper analysis.

From where will time come to have these amendments looked at or created in another place? The amendments are now before this Committee and can be dealt with. The rights of charity, sporting and church organisations can be recognised, but the Premier is ignoring them and is unwilling to bend at all. True, time will tell. I hope the Premier will realise that such groups need special conditions under which to operate. The amendment in regard to special accounts does not give an open book to continue such accounts indefinitely. The amendment provides:

> the Commissioner—
>
> *(c)* may by notice in writing given to the financial institution at which the special account is kept and the person in whose name the account is kept, cancel the account as a special account for the purpose of this Act;

In other words, there is a safeguard and any group which abuses the privilege will not be able to continue it for long because the Commissioner can step in. The amendment goes even further and provides that the Commissioner:

> *(d)* may determine a period, not exceeding one year, during which the person in whose name the account is kept is ineligible to make application under this section.

This would provide a clear warning to any organisation or group that tried to take advantage, because there are special provisions in clause 34 and only special institutions or groups can apply for special accounts. I hope the Treasurer will give due consideration to accepting the amendment, which will help such groups. If he wants to stick to his word, as reported in the *Advertiser*, that he would amend the tax if it was found to cause distress or difficulty, here is his opportunity.

Mr INGERSON: I support the amendment because it is incredible that we should have legislation before the Committee that is only half finished. If one is to do a job one might as well do it properly. In this case we have a Government that has admitted publicly its concern about areas of this Bill, both within this House, and it appears, to the press, but whose Leader is not prepared to stand in this place and admit that we have problems with it. Suggested

amendments to this clause deal with dealers accounts and the problems highlighted concerning legal practitioners and their trust accounts. Land brokers have the problem of their trust accounts being involved with double or triple dipping. The sort of people the Premier is obviously concerned about are those who are purchasing homes and who may be liable to many dippings of this tax.

The Premier seems quite unmoved about helping people who are purchasing their first or second home because he is not prepared to get to his feet and recognise the fact that there are problems with this Bill that should be corrected in this place. He wants to pass them off and have someone else do his dirty work for him. The situation involving charities has been mentioned here many times. There are two large charitable organisations in my district. One raises money for the Queen Victoria Hospital. The significant sums raised to run that hospital will be caught by this iniquitous tax.

The $9 million to $10 million raised to run the Julia Farr Centre and similar large sums raised to run charitable organisations will be caught by it. Many sporting bodies will also be caught. This makes one wonder whether the Premier has a cash flow problem when he is prepared to accept that a small sum is going to be kept from these organisations at the end of the financial year. It makes one think that the collection of these large sums of money to be handed back at the end of a particular period may be used to handle a cash flow problem.

The special accounts of land brokers and legal practitioners are being used consistently every day and they need to be recognised and taken up under this amendment. Many small sporting organisations such as football, table tennis and squash clubs that will be caught by this tax. They are recognised by our amendment. Also, cash delivery companies involved in the delivery of wages are covered by our amendment. It seems odd that the Premier recognises these problems but is not prepared to take them up. We have a situation of the Premier recognising these problems but not being prepared to put legislation before this House that has been thought through. This legislation ought to be amended because there has been recognition in this place and outside of it that there are problems with it. It is a pity that we cannot get the Premier to handle this legislation as it should be handled.

The Hon. JENNIFER ADAMSON: My colleagues have dealt specifically with this amendment in terms of its justification as it affects charitable bodies. I endorse what they have said. However, I would like to speak to the amendment in terms of the principle which is virtually accepted by the Premier in his action in recognising the validity of the amendment and its importance and, in fact, undertaking at some future time to have it included in the legislation. However, he has refused point blank to accept it in this place at this time, which is the appropriate time and place for it to be included in the legislation. I emphasise to the Premier the importance of the precedent that he is setting and the betrayal inherent in that precedent of the proper function of a member of Parliament.

This aroused my curiosity as to whether or not Erskine May dealt with the question of the failure of a House to deal with inadequacies in legislation that were demonstrated during a debate in the House. I suppose, because the situation would seem to the ordinary, responsible person to be an unthinkable one, I could not, in my cursory glance, find any reference in Erskine May to this situation. I believe that the Premier, or any observer of the Parliamentary scene (and certainly any voter), would regard it as quite beyond the pale for the Leader of a Government to say, 'The legislation is faulty but we are going to put it through this House with all its faults because we think that it can be fixed up somewhere else.' I ask the Premier to think of this leaving politics aside, because everyone in this House recognises that he has a profound respect for the traditions of this and preceding Parliaments in the Westminster system, and he would not want to see what I would regard as a savage blow at the functions of a Lower House dealt in the way that he is apparently dealing one in relation to the Leader's amendment.

I could find nothing in Erskine May dealing with this situation. As far as I am aware, it is probably unprecedented. Interesting enough, the English constitutionalist Bagehot in a chapter dealing with the justification of a House of Review, states:

With a perfect Lower House it is certain that an Upper House would be scarcely of any value. If we had an ideal House of Commons—

in this case an ideal House of Assembly—

perfectly representing the nation, always moderate, never passionate, abounding in men of leisure, never omitting the slow and steady forms necessary for good consideration, it is certain that we should not need a higher chamber. The work would be done so well that we should not want any one to look over or revise it.

It is clearly not the case that we have a perfect House of Assembly—far from it. Even with its imperfections, this place recognises the inadequacies of the legislation. Unfortunately, the Leader of the Government, having recognised the inadequacies of the legislation, refuses point blank to do anything about it. In supporting the Leader's amendment I want to protest in the strongest possible terms about what the Premier is doing, about the example he is setting, and the precedent he is laying down and at the complete abdication of responsibility that is inherent in his refusal to accept this amendment while, at the same time, accepting the validity of its substance.

I think that when the churches and charitable organisations hear of the Premier's attitude to this and read the record of the debate on this amendment they will rightly be shocked at the way in which their needs and the proper practices of this Parliament have been so lightly cast aside. I think that this is an absolutely shameful act by the Premier and one that he will bitterly regret.

Mr BAKER: We are now in a situation of confrontation where the Premier is unwilling to accept any responsibility. He is unwilling even to look at the principles under which the Bill has been constituted and rethink those in terms of whether the final measure will be fair and equitable. I think the *Hansard* reporters and the Parliamentary attendants could be justified in being more than a little disgusted with the Premier in this regard. The Premier has put forward four pages of amendments, so those must be considered as well as those put forward by the Opposition.

The CHAIRMAN: Order! The Chair will not allow the honourable member to carry on in that fashion. The honourable member must speak to the amendment before the Chair.

Mr BAKER: I am referring to the amendment involving the insertion of new clause 34. That provides for amendments which would change the total concept of the Bill. I was referring to that clause and the way in which the Leader has put it together. At least the Leader understands a little more about what is happening in the real world than does the Premier. This amendment proposed by the Leader goes some way in correcting the anomalies in the Bill. If we had taken a break an hour ago the Premier probably would have seen this amendment in a different light when considering it later. It has a great deal of relevance to this debate. The Bill contains difficulties, and this amendment was designed to straighten out one of those difficulties.

In legislation legal interpretation must be finite. The provisions in a Bill must be interpreted in terms of what their

intent is and where the equity of the situation lies. Clause 34 provides that scope and for equity in the system. The Government has shown that it grabs every cent of taxation that it possibly can which is why we are fundamentally opposed to this measure. The Leader has said that it is fundamentally a bad measure because of the way it operates. Here in new clause 34 and in the amendments, we are attempting to make the legislation more workable and something with not so many holes in it.

It is clear to me that if this amendment is not accepted and the clause as it stands is passed, in the not too distant future an amendment will be necessary because some of the areas that are covered under this clause will present problems that will have to be tackled. The Premier might say that they had been pointed out *ad infinitum*, but he has not accepted the point that this is the place where this legislation must be dealt with. It must not be left to the Upper House to sort out this legislation.

We cannot expect the other place to keep sorting out the mess. They have had enough mess to sort out in regard to legislation from this House which has been found to be inadequate. We must not deliberately send to it legislation that is faulty. It might occur sometimes when in all good faith a Bill is sent to the Legislative Council which is thought to contain all the necessary elements but which the Upper House then finds that an amendment is required and comes to the rescue.

The CHAIRMAN: Order! The Chair has been very patient with the member for Mitcham. The honourable member must refer to the amendment before the Committee. The Chair would also point out to the honourable member that on one occasion he referred to the staff of the House, and that is quite out of order, too. The Chair will not tolerate that sort of inference. For the third time I ask the member for Mitcham to come back to the amendment before the Chair.

Mr BAKER: I apologise for having made reference to the staff of the House. I was not aware of the situation.

The CHAIRMAN: Order! It is not up to the Chair to point out where it occurred or why it occurred: it occurred and it was out of order.

Mr BAKER: I was just apologising. New clause 34 refers to areas that the Premier has already admitted require consideration. Whether that is done tonight, tomorrow or the next day, it must be done here. The views of this place must be adequately conveyed to the Upper House in this Bill. It is insufficient for the Premier to reject this amendment on the basis that it can be sorted out in another place. As a new member of this Parliament I am horrified that the Premier is abrogating his responsibilities in this area.

It is important that the Premier accept certain amendments recognising that there are problems. He has come clean with us and said that clause 34 has a few difficult areas in it, although he said that it would be put aside to let someone else have a look at it. If he is a man of his word and a good leader of this House he should have the guts to stand up here and say that he will accept certain measures because they are in the best interests of South Australians, and that he rejects others because they are not in the bounds of the taxation measures which he intended to introduce. In regard to clause 34 the Premier should not hedge on the issue and say that matters will be considered elsewhere. Let us consider them now and by going through them one by one. If the Premier is not sure about some of these matters, he should report progress so that we can ensure that the Bill goes to the Upper House in the best form possible. It is amazing to me as a new member that the Premier of this State is quite willing to let other people make decisions that he has to make.

The Hon. B.C. EASTICK: Can the Premier identify to the Committee the organisations with which he has made contact, and which of his officers will undertake the investigation that he indicated was under way? The Premier said earlier that these needs of the churches and the charities are being taken into account. It is right that they should be taken into account. It is common knowledge that the organisations have been concerned about their futures and have initiated discussions with the Government and with the Opposition. They have certainly made their feelings known in the media.

The Premier then went on to say, 'I have made contact with these groups myself and some discussions will be taking place with my officers,' and proceeded subsequently to say, 'When this Bill is in another place I would hope that a system is devised which would solve these problems.' I would appreciate, for the benefit of the Committee, an indication of what groups have been personally contacted.

The Hon. J.C. Bannon: Why?

The Hon. B.C. EASTICK: Because I would like to compare notes.

The Hon. J.C. Bannon: With whom?

The CHAIRMAN: Order! Conversation cannot be entered into. The honourable member for Light.

The Hon. B.C. EASTICK: Thank you for your protection, Sir. The question is simply one that I believe would be of interest to the Committee. Either the Premier can answer it or he cannot. I will not belabour the point if he is unable to identify the organisations with which he has had contact, as he indicated to this Committee. Be it on his own head! It is not unreasonable for a Committee which is tussling with a particularly difficult matter causing concern to a large number of people associated with churches, sporting organisations and other charitable bodies—

The Hon. J.C. Bannon: Sporting organisations are not charitable.

The Hon. B.C. EASTICK:—and charitable organisations. I included the three: churches, sporting bodies and charitable organisations. Minda Home and other organisations have been mentioned, and I am interested to know in cross-reference which ones the Premier has contacted. For example, which sporting body or group of sporting bodies will be deemed to be spokespersons for all sporting organisations in this State? How is the public view of this matter to be canvassed with all the sub-organisations associated with sport in South Australia? How do we know that by the five, seven or 10 contacts that the Premier makes he will have the true reflection of the view of and the effect upon sporting bodies in the State?

It is quite clear that the heads of churches have had their say, because a number of them have already been identified. Have a number of other sub-bodies within the overall church organisations that are not necessarily part of the Heads of Churches organisation been contacted? Are they to be contacted? It is pertinent to the end result which is associated with clause 34. Because we are seeking on this occasion to incorporate clause 34 along with clause 31, it is not unreasonable that the Premier take the Committee into his confidence and provide this information. It was he who led the information to the Committee: it was not somebody suggesting that he had had discussions. The Premier himself initiated the fact that he had had these discussions.

Mr Evans interjecting:

The Hon. B.C. EASTICK: Officers have been delegated—that is the simple inference—to undertake further investigation in relation to these matters. I would most definitely appreciate the Premier's taking the Committee into his confidence so that we can cross-check our references and see whether there is a vital group in the community which has not yet been contacted by either one side or the other.

The CHAIRMAN: The question before the Chair is that the amendment—

The Hon. B.C. EASTICK: I rise only to give the Premier a chance to get back into his place so that he may respond to the question asked of him. I took it from the consultation that he has undertaken that he intended to respond to the question.

The CHAIRMAN: The Chair has no power to dictate to the Premier whether he wishes to respond or not. It is simply up to the Premier. The honourable member for Light.

The Hon. B.C. EASTICK: Thank you, Sir, I did not suggest that the Chair was going to exercise an influence on the Premier or any other member which it has not the authority to do. I am simply saying that there is a question asked of the Premier. As a result of information which he led to the Committee, I gave him the chance to inform the Committee in a positive way so that the Committee could properly assess this provision.

The Committee divided on the amendment:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 3 for the Noes.

Amendment thus negatived.

Mr OLSEN: I move:

Page 4, after line 15—Insert new definition as follows:
'sporting organisation' means a body established on a non-profit basis for the purpose of providing facilities for, or otherwise promoting, sport, and includes a trustee who holds property on behalf of such a body.

This widening of interpretation is for the purpose of our moving the consequential amendment later that is designed principally to bring those charities, church groups and non-profit sporting organisations into the ambit of being totally exempt from the f.i.d. That would come under what I have previously referred to as proposed new clause 34, which I hope to move in due course. The Government is placing a significant additional impost on organisations that seek to provide opportunities for sport and recreation and community activities with no profit to themselves.

Indeed, the effective functioning of committees in raising funds locally for the provision of those sporting and recreational facilities is obviating the need for the Government to pick up the tab. If those bodies are prepared to undertake those activities, to raise funds and to establish facilities I believe that as a matter of principle it is wrong for the Government to tax them, because those groups are saving the Government a considerable sum. We ought to be giving every incentive to such community groups, not applying a disincentive, such as the f.i.d. It is recognised that the amendment covers a large number of sporting organisations, but whether a large number or a small number of organisations are involved, the principle is still the same, and it is the principle that we should be debating.

Unquestionably, the principle should be that Governments, and this Parliament, should be encouraging and supporting those groups to achieve their objectives within their communities. Failure to do so will dry up the drive and tenacity of those people, and the enormous resource for raising money. The sums that those organisations raise are quite considerable, as the Premier would have to acknowledge.

The Hon. B.C. Eastick interjecting:

Mr OLSEN: It is the principle to which we on this side aspire. We should give every incentive and every encouragement to these bodies, because self-help should be given impetus and encouragement. This Bill removes that encouragement for self-help in relation to a section of the community that should be given every incentive. In response (or lack of response) to the questions posed by the member for Light, the Premier chose not to indicate any groups with which he had had discussions relative to this matter. In fact, the comments of the Premier himself have been the basis of discussion for the past hour or so, wherein the Premier said that there are anomalies in the legislation and that he had talked personally to these groups. The Premier said, 'There is a problem, and when we sort it out we will fix it in another place.'

That is not good enough. When the hard word was put on the Premier to identify those groups to which he had spoken to try to fix the problem, he could not name one. I wonder whether there was one. Indeed, the Premier was not prepared to indicate the officers who were undertaking those inquiries on his behalf or on behalf of the Government. It goes to the core of the objection of the Liberal Party to the f.i.d., as it has been brought down. In New South Wales and Victoria the groups to which I referred have not been caught up in the net as it is being applied by this Government. I understand that in New South Wales the bank manager determines what is an exempt account and in Victoria the Public Service so determines.

In South Australia every party pays up to $20 per account. That is the clear distinction that is marked out for South Australian non-profit organisations that service the community in a very valuable and realistic way. Self-help support within the community is saving the Government money in regard to its responsibility to back up and provide community services and facilities, and to tax that incentive is about the lowest base from which to discard the principle.

The Hon. B.C. Eastick: It is a tax on leisure and pleasure.

Mr OLSEN: Indeed it is. It is a tax on people who work in their own time on a voluntary basis to provide those services and facilities. It is simply not good enough to apply a tax. It is not good enough for the Premier to say, 'We know there is a problem, we cannot identify it, but we will do that in due course', but then to not identify the officers or the organisations and groups with which he had discussions, if there were any.

The basic principle remains: hours ago we should have reported progress while those discussions took place so that when the matter was resolved the Bill could have been brought back to the Chamber in completed form so that we could review the total package and see that it was a Bill which the Government had examined and ironed out all the anomalies. Then it could have proceeded from there. That course of action was open to the Government. An Opposition member moved that progress be reported while problems were sorted out. Instead, the Government is willing to sit silently and stonewall and not provide the legitimate replies to matters raised. It is on the Government's head if it wants to treat the Parliamentary process in that way.

Despite the Government's tactics, we will not resile from our responsibility to question this legislation and seek adequate answers. We will persist with our questioning until we do. Our position was clearly indicated in the second reading debate on Tuesday when we set out our course of action. We gave notice of where we were going. We gave the Government 24 hours before it had to respond, but no activity took place during that period to correct the anomalies. I have moved my amendment to meet the objectives that we have consistently claimed that we want met in this legislation. The Government has been unwilling to report

progress so that we can tidy the legislation before it goes to another place while still faulty. That is not the way for Parliament to operate.

The Hon. J.C. BANNON: The legislation is not faulty. I have given an undertaking that we will look at the anomalies. I have been through that before. The amendment is unacceptable. In neither New South Wales nor Victoria are sporting organisations exempt as defined in the amendment, and it is not intended under the scheme of this Bill that they will be subject to a rebate. That would be introducing a new and different concept. There is not any major problem there. Our position is clear. I reject the amendment.

Mr MEIER: Did the Premier say that there was no intention by the Government to reimburse sporting organisations? Will they have to pay the $20?

The Hon. J.C. BANNON: Unless they come within the definition of a charitable organisation they would be subject to the duty.

The Hon. JENNIFER ADAMSON: I refer to bodies such as the South Australian Jockey Club, the South Australian Football Leaugue and the South Australian Trotting Club which would not fall within the definition of a charitable body. These organisations are important in South Australia, and the Committee should be aware of their views on the impact of this duty. Such organisations usually have a well researched view. Have representations been made by them? If so, what was the nature of them? What was the Premier's response? Such organisations handle millions of dollars, yet these organisations are having a tough time making ends meet while performing significant services to the citizens of the State. Their role is jealously guarded by their members and by the South Australian public—

The Hon. J.C. Bannon: And by the Government which supports them.

The Hon. JENNIFER ADAMSON: Indeed. What representations have been received by such organisations? What was the Government's response?

The Hon. J.C. BANNON: I cannot recall any specific recommendations.

Mr MATHWIN: I support the amendment. I am disappointed because the Premier will not accept any amendment at all.

The Hon. J.C. Bannon: I have.

Mr MATHWIN: That seems about 15 hours ago. Surely the Treasurer has some sympathy for the situation that will arise. The definition of 'sporting organisation' is as follows:

> . . . a body established on a non-profit basis for the purpose of providing facilities for, or otherwise promoting, sport, and includes a trustee who holds property on behalf of such a body.

That includes churches, councils and myriad other organisations. Land has been given to various sporting groups, especially tennis and football clubs under the cloak of local government. Such organisations do a great job in the community. Canada, especially, spends vast sums on sport in order to keep young people out of trouble. Canada spends millions of dollars building sporting stadiums in an effort to counteract crime by juveniles in that country. If this Government cannot look favourably upon the people involved in sport who are encouraging young people and giving them some sort of training to get them off the streets, then we have a problem. The Premier takes every opportunity to present himself as a great sportsman. He went to Japan and trotted around a park in his shorts.

The CHAIRMAN: Order! I will not allow the honourable member for Glenelg to start roaming around the world. We are dealing with sporting organisations in South Australia.

Mr MATHWIN: I was just trying to emphasise my point in an attempt to perhaps get through the Premier's armour, because he has set up a barrier between himself and everybody else with the hard line that he is taking against sporting organisations. It is my job to try to get through that armour and to try to get the Premier to show some sympathy for the terrific job that these people are doing in the community. Sporting organisations exist to help young people within the community generally, and many of them also help adults.

The number of people involved in church basketball teams and the like number many thousands, yet the Premier cannot see fit to give any ground regarding this legislation. Without any explanation he said he did not want to hear about it. I think that is a poor show, because the Premier has a reputation of being a man who is mixed up in sport and who has a lot of sympathy for it. This definition includes trustees who hold properties on behalf of bodies such as churches and councils. I think it is time the Premier had further thoughts about this matter and showed some regard and sympathy for sporting organisations in this community.

Mr MEIER: I support this amendment, which defines sporting organisations by way of new definitions. I am disappointed to realise at this stage of the debate that sporting organisations will not be exempted from this duty. Sporting institutions look to the Government for help in many cases. We have often heard from the Minister of Recreation and Sport during the past 12 months about how he passes out grants to these bodies. It is obvious from submissions that have come through my office that these organisations need every cent they can get. However, this Bill will see many cents taken away from these bodies and, in the case of larger sporting organisations, many dollars taken away.

I believe that it is a retrograde step for the Treasurer not to accept this amendment. It will impose a real penalty on sporting clubs involved. Let us consider some of the typical clubs involved in rural areas. There are tennis, basketball, netball, football, cricket, squash, soccer, hockey and bowling clubs involved—to mention some of them. Also, areas such as Adelaide International Raceway and Speedway Park will be affected. We have seen other instances where such bodies are crying out for money. In fact, there has been a clear indication lately, through lots of correspondence coming to my office, that any move to take money away from these sporting organisations will be a disastrous step.

I do not have to mention the tobacco Bill in another place. That Bill, if it passed all stages, would take money away from these bodies, yet here we have an opportunity to make sure that money is not taken away from them. However, it seems that the Government is not prepared to act. I wish I had an opportunity to ask whether this Government intends to handle the tobacco Bill when it gets into this House.

The ACTING CHAIRMAN (Mr Whitten): Order! The honourable member can come to that matter when it is before this House.

Mr MEIER: A greyhound track has just been opened in the Goyder electorate—the first straight track in South Australia. This is a classic instance of a situation where every bit of money is needed. The Minister of Recreation and Sport would fully appreciate how the organisers came to him looking for money. The Leader knows full well how they also come to him seeking greater financial support, yet we find that the Treasurer is not interested in these people or in sporting organisations that are going to lose money as a result of this 'fiddler' tax. I urge the Premier to reconsider this amendment and to have some sympathy for these voluntary organisations.

We do not have fancy things like poker machines in this State, and I would not want to see them introduced. These people must work hard for their money and do voluntary work to raise every single cent that they get. They deserve all the encouragement that can be given to them. This comes, first, from local organisations and community members, but they would appreciate and look for that support

because without it many of them will find it difficult to exist. It seems completely contradictory for the Government on the one hand to offer grants to these sporting bodies while at the same time taking money away from them. It is a pity that there was not a bit more consistency in the policies of the present Government. This is a classic illustration of legislation not being clearly thought through. It is obvious, despite statements made by the Premier during the past 48 hours when he said he would amend the tax if it was found to cause distress or difficulty for these groups, including I assume sporting groups, that now, when the opportunity arises, he will be doing nothing. As has been said before, this amendment is one that might be considered in another place. But why it should not be considered here I do not know. I support the amendment and urge the Premier, as Treasurer, to also support it.

The Hon. MICHAEL WILSON: The members for Coles and Goyder have mentioned several sporting bodies in their discussion of this amendment, which I, too, support. My friend, the member for Glenelg, mentioned amateur sporting bodies, who are the people who will feel this tax more than organisations such as the Jockey Club, South Australian Trotting Club and South Australian National Football League.

The Premier will be unpopular amongst those amateur sporting bodies, which will really feel the bite. This matter was referred to by my colleague the member for Glenelg a little while ago when he referred to the Sea Rescue Squadron, the Surf Life Saving Association and the Royal Life Saving Society. Bodies such as those provide an essential service to the community which the Government would have to provide if they did not do so. Certainly, the Government through various agencies provides grants to those bodies. The Chief Secretary, who is now taking the Premier's place on the front bench, supplies fuel and the like to the Sea Rescue Squadron, and I know that the Minister of Recreation and Sport supplies a grant to the Royal Life Saving Society and the Surf Life Saving Association.

Mr Mathwin: Not enough, mind you.

The Hon. MICHAEL WILSON: That may well be so. Certainly, those organisations deserve all the help that they can get. As I said before, the amateur sporting bodies which rely so much on volunteer help will really suffer and they are the organisations that will really bring home to the Premier the unpopularity of these provisions.

Mr OLSEN: Before we vote on the amendment, even though the Premier is out of the House at the moment, I think it ought to be pointed out in relation to anomalies in the legislation that the Premier said about an hour ago:

Those needs of the churches and charities are being taken into account. I have made contact with those groups myself—

although he was not prepared to name them—

and some discussions will be taking place with my officers. When this Bill is in another place I would hope that another system is devised which will resolve these problems.

Those are the words of the Premier which are currently in *Hansard.* So, the Premier acknowledged that there are problems and that he will be solving those problems in another place. He recognised that the legislation has anomalies, and I think that that should be clearly on record.

The Committee divided on the amendment:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 3 for the Noes.

Amendment thus negatived.

The Hon. E. R. GOLDSWORTHY: I move:

That progress be reported.

Motion negatived.

Mr OLSEN: I move:

Page 5, lines 1 to 3—Leave out the definition of 'trust fund account'.

This simple amendment is consequential upon other matters that I will not canvass again. I simply point out that the amendment will allow us to dovetail in other amendments proposed by the Opposition.

The Hon. J.C. BANNON: The Government opposes the amendment. The reason is that the amendment is consequential on a number of others. It is fairly unprecedented for members to take the line of debating, calling against and dividing on consequential amendments in this way. It really is unprecedented behaviour. I am only saying that in response to a reaction which suggests that there is something odd about what I am doing. We have made our attitude on this clear. It appears that it is the Opposition's intention, despite the fact that all these things are interconnected, to go on with each and every one of them. It is quite extraordinary. We cannot support this filibuster.

Amendment negatived.

The Hon. J.C. BANNON: I move:

Page 5, lines 22 to 26—Leave out subclause (3).

This matter was raised in another context by the member for Light many hours ago, and I pointed out to him then that I had this amendment on file to remove the superfluous subclause.

The Hon. JENNIFER ADAMSON: I want to ask the Premier a question for clarification in relation to the amendment that he has just moved. After being in this Chamber almost without break for more than eight hours, I think that it is reasonably understandable and this is a genuine question; otherwise I would not be asking it. I recall the questions raised by the member for Light; I raised some myself. I ask the Premier in moving the amendment (which, after all, is a reasonable thing when moving an amendment) to explain briefly to the Committee why he is deleting that reference to a debt being taken to be due notwithstanding that the time for the payment of the debt has not arrived. It is a long time—many hours; in fact, the length of a working day—since he discussed the matter in response to a question by the member for Light, and I am ready to admit that I do not remember what he said. I believe that the Committee should be told.

Mr LEWIS: I do not believe that we any longer have the help and co-operation of the Premier. Is the Premier so arrogant as to believe that it is no longer necessary for him to be accountable to the Committee for the propositions he puts before it. Are Government members so inane, stupid and otherwise daft that they are prepared to accept these propositions without ever having canvassed them? Is that what the Premier would have us believe? If it is not, why is it that he expects us to simply sit here, ask questions and be ignored in this arrogant fashion?

The CHAIRMAN: Order! The member for Mallee has already run foul of the Chair during this debate. I hope that he does not intend to pursue the position at present. He will come back to the amendment before the Chair.

Mr LEWIS: With the greatest respect, may I ask in what fashion I deviated from the matter before the Chair? I need to know.

The CHAIRMAN: Order! The Chair is simply pointing out to the member for Mallee that an amendment is before

the Chair and it has nothing to do with the pros and cons of the Premier's either answering or further answering. The member for Mallee must deal with the amendment and not canvass other things.

Mr LEWIS: With the greatest respect to you, Sir, and not wishing to incur your wrath in the least, I nonetheless point out to you that it is my determination if at all possible to have the Premier address himself to the matters about which we seek information in relation to the amendments which he is proposing to subclause (3). If we cannot obtain that information by pressing him to provide it without deviating from the subject matter or that question, how on earth can we obtain that information?

The CHAIRMAN: Order! It is not up to the Chair to persuade the Premier to answer or not answer the question.

The Hon. J.C. BANNON: I am prepared to respond. My problem was that we have been through all this before. As I said, the subclause is superfluous: that is the response.

The Hon. Jennifer Adamson: But why?

The Hon. J.C. BANNON: Because it does not fit in anywhere in this legislation that we have before us.

An honourable member: Why did you put it there?

The Hon. J.C. BANNON: We have been through all this. I have been here since 7.30 p.m., constantly in my place following the debate. Members opposite have come and gone as they wanted to. They can take a rest; they can have a little sleep—some do it in the Chamber and some go somewhere else, but I have been here the whole time, responding courteously and properly. Whether or not members are satisfied with my answers, that is what I have been doing, and I am attemptng to continue it. I commenced to answer and we get this chiacking and nonsense. No doubt, it gratifies honourable members opposite that I am responding to them, but I am doing that in the interests of trying to get on with the job and getting this wretched filibuster over so that we can get on with the job of governing this State and not being impeded in this scandalous and outrageous way. The answer is that in an earlier draft of the legislation which was circulated amongst various groups, this particular definition, which came from a connecting clause in the Victorian legislation, was contained in it. It is now no longer necessary because of certain recasting of amendments made in the final Bill. So it has been removed. I have said that three times.

Amendment carried; clause as amended passed.

Clause 4—'Application of Act to Crown.'

The Hon. JENNIFER ADAMSON: In all sincerity, while I understand the words of this clause, I do not understand the implication of the words. I am not familiar with the phrases 'only in the right of the State' and in all its other capacities'. That may be commonly used phraseology in Statutes, but I have never come across it before. Does it have any constitutional implications? What does 'the right of the State' mean, and what are the 'other capacities' to which this clause refers?

The Hon. J.C. BANNON: If for instance the Commonwealth is involved and the legislation anticipates that that will happen on that basis, there is the ability to bind the Crown in the right of the Commonwealth. That is a right only if it chooses to put itself under the purview of the Act, but once it does, this clause can operate.

Mr OLSEN: Why does the Premier believe that the Commonwealth will be involved in legislation of this nature? Why is that provision incorporated in legislation of this type? Has the Commonwealth suggested that it will be involved and, if not, why has the Government gone down this track?

The Hon. J.C. BANNON: There are incentives to ensure that they can be gathered up.

Mr LEWIS: That explanation is even more intriguing than the initial curiosity in regard to this clause. We should know more about the implications. That is an inadequate explanation. It gives me no clear insight as to who, which or what organisations are involved, especially if the Reserve Bank and similar instrumentalities of the Commonwealth in fiscal and financial matters are exempted from the effect of the Bill. To then say specifically in one clause what is stated in this clause makes warning bells ring in my brain. I want to know more. Will the Premier further explain what the clause means, or is he as vague as we are in that regard? At 6.15 a.m., can the Premier obtain the information from his expert advisers, wherever they may be and however he may consult them at this hour?

The Hon. J.C. BANNON: If Commonwealth financial institutions come in, this clause will apply. Members will find that other parts provide an incentive for them to do so, and they will be bound. The Commonwealth Banking Corporation may be involved.

Clause passed.

Clause 5—'Receipts to which this Act applies.'

The CHAIRMAN: There is an amendment on file to this clause.

Mr BAKER: I rise on a point of order. I believe that the normal practice is for members to seek information on the clause before amendments are considered. I would like to ask the Premier a number of questions.

The CHAIRMAN: I apologise. The Chair has no intention of gagging a member who wishes to speak to a clause. There are so many amendments that the Chair must point out who has the right to move the first amendment. If the honourable member wishes to speak to this clause, that is quite acceptable.

Mr BAKER: Some minor areas of concern have been tidied up or at least noted. To satisfy myself that the provisions are in accordance with the intent of the Bill, I would appreciate an explanation in regard to subclause (1) *(b)* (ii). Does subclause (2) mean that a finance company that obtains some other form of negotiable asset would be liable for this duty? The original definition of 'person' includes a company, but a person is also a person under the law. Does this extend the scope of the Act to cover persons rather than financial institutions?

I refer to subclause (5) *(a)*—these things to not necessarily happen instantaneously. What will happen on the last day of the month in respect to the sums in a clearing account? Will it become a special account? What does subclause (6) *(a)* (i) mean? I presume that an account kept by a financial institution is debited with fees or charges, and I presume that that account will be debited, even though there will be a cross transfer of money and a clearing account is referred to subsequently. Subclause (7) refers to money invested on term deposit. If the money is retained beyond the date at which the borrower has agreed to repay that sum, how often will this duty be collected? It could remain for a considerable period. Will the money be subject to duty every month? If the original term of agreement was for two years will it remain duty free for two years? Also, I refer to subsections (8) and (6) *(a)*. Is there a conflict? I have difficulty with that provision. As I have difficulty understanding the full ramifications of the provisions, can the Premier clarify them?

The Hon. J.C. BANNON: The member referred to subclause 5 (1b) and clause 5 (2). Basically, they are avoidance provisions in regard to the tax being paid in South Australia. It ensures that money is not shuffled across State borders to avoid payment of duty. These provisions match those in other States. Most of the other questions raised by the member are explicable in the wording of the provision, bearing in mind that the duty is levied on the receipt of

money, the movement of money. Money standing in an account is obviously not dutiable; there is not a clock ticking over them. Subclause (8) provides:

An entry made in an account of a financial institution by that financial institution solely in accordance with its internal accounting practices does not constitute a dutiable receipt.

The member reinforces the point I am trying to make.

Mr Baker: What about subsection (7)?

The Hon. J. C. BANNON: It provides:

Where money is invested on term deposit with a financial instituion and the money is not repaid immediately and in full upon the expiration of the term, the non-repayment shall be regarded as a receipt by the financial institution of the amount retained on deposit or at call.

That ensures that there is not an avoidance of tax.

The Hon. JENNIFER ADAMSON: I did not hear the Premier's response in regard to clause 5 (2) in regard to consideration other than money. This matter confuses me. I can think only of products bought on time payment in terms of consideration other than money in regard to clause 5 (2).

The Hon. J.C. BANNON: On a number of occasions I have asked the indulgence of the Committee so that instead of a great long list of matters being interspersed with debating points, questions are asked freely. It is almost impossible to understand what matters members want answered. I have experienced for the past five or six hours that, if my answer does not suit a member, if it is not in the form of words that they believe I should be uttering, they reject it or ask the same question again. It has been an unhappy experience, but I guess we will all learn from it.

'Consideration' is a legal term, and consideration can be money. It can be some other obligation or some other transfer of goods, services or whatever. I do not have in front of me legal text books dealing with the law of contracts and the like. The purpose of the clause is to overcome avoidance whereby money is substituted for something else when at face value there would have been duty payable. If it is done to avoid duty, duty is payable.

The Hon. JENNIFER ADAMSON: That certainly answers the question in general terms, but can the Premier give an example? If a person instead of being paid a salary gets the balance of the salary as a bag of wheat or a motor car, will inspectors have to determine what has occurred and value the goods and then require the recipient to pay tax? To whom is the duty paid? The question of the Premier's not having the legal text books to explain 'consideration other than money' seems to be unsatisfactory for someone qualified in the law who has access to legal officers. Is the clause designed to cover an extraordinarily rare situation, or is it designed to cover something that will occur regularly?

The Hon. J.C. BANNON: It is difficult to explain where a member does not seem to grasp the principles behind it, and I will do my best. For a start, the member is under a misapprehension that a 'person' in this sense means a person for the purpose of the Act, which in turn means a financial institution. Perhaps she is confused by that. We are not talking about an individual in this case. There may be an instance where someone deposits a discharge of a debt in goods. It is most unlikely that financial institutions or a bank will accept that, but there could be instances. In this case, duty would be payable.

Mr LEWIS: I thought that 'person' meant not only the natural person but also the body corporate.

The Hon. J.C. Bannon: It does.

Mr LEWIS: How much duty will be payable by the Premier or his employee in respect of the value of the Ministerial car which hé gets as consideration for his job?

The Hon. J.C. BANNON: It is not a deposit with a financial institution. I do not want to protract the debate. If a member for the purpose of the Act receives receipts, who receives receipts for the purpose of this Act? The answer is financial institutions, as defined. I am not aware of how a Ministerial car supplied for myself, the Leader, or anybody else is involved with the depositing of receipts or exchanging goods in kind in discharge of a debt. I think that the honourable member is not reading the clause carefully enough and is not using the simple laws of grammar that laymen can use. One does not have to be a lawyer to parse the sentence in order to ascertain which object applies to which noun or subject, and so on. The person who in this case received the consideration is receiving it for the purposes of this Act and is, *ergo*, a financial institution.

The Hon. JENNIFER ADAMSON: From my conversations with various companies, particularly those in the travel industry which have interstate offices, it seems that a lot of interstate transfers do take place already to a surprising extent. Does this clause have any effect on interstate transfers? If, for instance, an airline company receives payment from a number of sources and banks those payments in a branch in Adelaide and then wishes to transfer that money interstate, does that transfer attract any f.i.d.? It certainly would if it was transferred to Melbourne or Sydney. Also, how does this clause, or any other clause in this Bill, catch and, if you like, deter people from making interstate transfers for the purpose of avoiding the duty?

The Hon. J.C. BANNON: Subclause (4) refers only to crediting within this State. Subclause (5) refers to those situations when the transfer goes to a bank outside the State. Once the actual deposit has occurred outside the State it is not caught by our legislation and not subject to duty, but it is dutiable in the terms of clause (5) where that situation arises. Subclause (5) applies to interstate matters and subclause (4) to transactions within the State.

Mr OSWALD: The Premier said in his answer to the member for Coles that by definition a person is a financial institution for the purposes of the Act. A person is defined as including a financial institution but not necessarily a company. I then read that where a company receives a consideration other than money that company, when it receives such consideration, shall be deemed for the purposes of the Act to have received an amount of money equal to that consideration. Is there a situation created thereby where a company could be paid in goods? Could a small private company be paid in kind instead of in cash for services rendered? How would that be declared as money collected in lieu of services, thereby making it to administratively collect the tax which would have been collected if the company had paid the money into a bank? I am taking the point here that the definition of a person as being a company could involve a private company in business being paid in kind by a creditor rather than receiving cash that the company would pass on to a bank which would collect the f.i.d. on behalf of the Government.

The Hon. J.C. BANNON: We have gone back to the very rudimentary statutory reading and interpretation. The definition does not say 'person means a company': it says that 'person includes a company'. A person could be a number of things as legally defined including a company, and the definition makes clear that it does. When the word 'person' appears in any clause of this Bill one has to see in what context that word is used before one can determine whether, in that instance, it includes a company, individual or whatever else. In this clause the word 'person' is used in relation to a financial institution because it is a person. The receipt involved is towards the settlement, satisfaction or discharge of a debt or obligation which the person received for the purposes of the Bill.

If I owed the bank $10 and I went to the bank Manager and said, 'I have a Parker fountain pen worth $10: is the

bank prepared to accept that in discharge of my debt?', and he said that he would accept the pen and wipe the debt off, under the clause, despite the fact that money did not change hands, the transaction would be dutiable.

The CHAIRMAN: I point out to members that I do not want to be difficult about this matter but there is an area of repetition arising here which is covered by Standing Orders and I ask honourable members to cease repeating their questions.

Mr OSWALD: That question was not intended as a repetition. It is a genuine question that I put to the Premier because of the definition in question. I am not a lawyer, but I have read that 'person' could mean 'a company'. I thank the Premier for his answer and accept that it is legal terminology, and I am satisfied with that answer.

Mr ASHENDEN: I take it that clauses (5) (1) *(a)* and (3) refer, in part, to an area which is of great concern to many employees. There are many employees in the private and public sectors who have their salaries paid weekly, fortnightly or monthly directly into a bank account. This is the clause, if this Bill is passed, that will cause all employees who are so paid to lose a considerable sum of money.

The Hon. J.C. Bannon: How much do you think they will lose?

Mr ASHENDEN: Given that it is 1c, that is 1c they should not have to pay. The Premier is obviously a little touchy about this. Let us see how other people feel about it. I will read from the *Weekend Australian* of Saturday last because what the article stated is directly related to the payment of salaries and to clause (5) (3). Obviously, the Premier is completely out of step with the unions which, of course, control his Party, because the unions in both this State and Western Australia have made it quite clear that they totally disagree with the fact that employees should be forced to bear the cost of f.i.d. if their salary is paid directly into their bank accounts. In case the Premier thinks that I alone am concerned about this I shall read part of an article which appeared in the *Weekend Australian.* I acknowledge that this refers to the Western Australian situation, but the situation there is identical to that which we have here in South Australia. The article states:

> To rectify the matter, the T.L.C.'s executive council has voted to request that the tax be removed from all wage transactions and the payment of pensions.
>
> The State's Civil Service Assiciation makes the same complaint. General secretary, Tony Black, argues that public service staff agreed to accept bank payments of their wages only to enable the Government to streamline its payroll operations and save money.
>
> Now, of course, with most of the State's 175 000 government employees paid through the bank, the poor bureaucrats are having to pay tax for allowing a system to save the Government money.
>
> 'That's what I call insidious,' Mr Black said.

They are not my words. I invite the Premier to listen because he seems to think that this is just a waste of time. It is certainly not regarded that way by the employees of the Public Service who referred to this matter as being insidious. The article continues:

> But what worries private employers—and presumably the Government—is that the law is firmly on the side of the employee when it comes to deciding how his payment should be made.
>
> Thanks to a bunch of social reformers back in the days of Queen Victoria, there is an Act of the British Parliament—endorsed by Australia's various legislative councils before Federation—that states an employee must be paid in cash, not kind.
>
> Originally the law was designed to stop harsher Victorian employers paying servants a pittance plus board and keep. But 100 years later, the old Truck Act, as it is known, can be used again to back any employee's demand to be paid in cash—rather than by cheque.
>
> Of course, some industrial awards have bank payments written into them, but the majority of employees—whether they are aware of it or not—allow their employers to pay them by cheque or draft by consent. That consent can be withdrawn at any time. Were enough employees to withdraw consent, then moves towards the cashless society would all but end overnight.
>
> According to one industrial relations expert, most companies would find it prohibitively expensive to operate a dual payroll system—one by bank draft, the other by a laborious return to the old days of collecting together bank notes and stuffing them into wage packets. The expert points out that if a few renegades in the State Public Service were to withdraw their consent to being paid in anything but cash, the Burke Government could find its new payroll costs leaping to well above the revenue generated by f.i.d.

If the Premier still thinks that I am raising an insignificant point, I just cannot agree with him. It is obvious that by the way this Bill is written it will cause penalties to be imposed on employees whose wages are paid directly into their bank accounts. They have a right to demand that they be paid in cash. I have noticed in the press that the unions and the Public Service Association in South Australia do not agree with the action that the Government is taking. In fact, I believe that the Public Service Association has passed three motions requiring that the Government in fact withdraw the provisions relating to this aspect. I believe that the intention is that if the Government does not withdraw these provisions then the Public Service Association will support its members in demanding that they be paid by the Government in cash. As it says in the article in the *Weekend Australian,* if that happens that will cost the Government more than it will earn from the duty charged. That is utterly ridiculous. I know that the Premier has absolutely no interest whatsoever in the private sector, but the other point is that the employees in the private sector can also demand to be paid in cash. Therefore, it could well be the case that costs to a company could be very high indeed because they will have to have two systems of payment.

Does the Premier recognise the fact that employees in both the private and public sectors have the right to demand payment in cash? If they demand that, both the Government and the private employers will lose heavily. This would cost the Government more money than it would be earning from the duty. Therefore, this provision should be removed from the Bill. Every member of the House would have the right to demand to be paid in cash, and at this stage I certainly feel that that is a right that I am going to exercise, because I do not see why I should contribute to a tax with which I totally disagree and which the Government has no mandate to introduce, as the people of South Australia were not told prior to the election that the tax would be introduced. It was done afterwards.

The Government has absolutely no right to impose this tax on the people of South Australia. I hope that I have convinced the Premier that his earlier mutterings were ill-founded. It is a very serious matter and if the Public Service Association takes it up it could cost the Government dearly. I look forward to the Premier's comments. I shall ask the Premier another question which requires a straight yes or no answer. Is the Premier going to have the courtesy or the guts, if you like, to answer my earlier question?

The CHAIRMAN: Order! That remark is definitely out of order.

Mr ASHENDEN: I have asked a question that is of tremendous importance to employees in the private sector and to those in the public sector in order to find out what the Government is going to do. We want to know whether the Government has considered the fact that if employees force their rights in this matter it will cost this Government more money than it will earn from the duty. In other words, instead of its gaining money for the Government coffers it will lose money from Treasury.

The CHAIRMAN: Order! Will the member for Todd please resume his seat. The honourable member is simply being repetitious and the Chair will not allow the member for Todd to continue in that vein.

Mr ASHENDEN: I will reframe the question. In view of the Premier's earlier refusal to answer what is a most important question, is he prepared to indicate to the House with a straight yes or no answer whether he is aware of the situation that I have outlined and its possible repercussions, which will occur if the Bill remains in its present form?

The Hon. J.C. BANNON: I thank the honourable member for his point.

Mr OLSEN: I move:

Page 6, lines 17 to 27—Leave out subclause (4).

The Opposition is moving this amendment to avoid multiple taxing between accounts in the same name operated in the same financial institution, particularly in regard to trading and savings bank accounts held in the same financial institution and transfers between cheque accounts and savings accounts or transfers between savings accounts for loan repayments. If successful, the amendment will avoid double taxing. When a salary payment is lodged directly in an account at a bank, building society or credit union, etc. the duty would be incurred and then subsequent transfers to accounts in the same name would also be taxed. I think the Committee must consider this matter. People who make arrangements with an employer to have wages credited directly to a bank account so that they can transfer funds out of that account to other accounts such as Bankcard, investment accounts or for repayment of personal loans and mortgages will be liable to a tax on each such transaction, which would have quite a compounding effect in regard to the duty payable on the initial lodgement and that payable on each subsequent transaction on an *ad valorem* basis.

That is an anomaly and an inequity in the legislation which ought to be removed. People ought not be paying time and time again for the movement of money once they put it in their accounts and are just disbursing it appropriately. It picks up a tax every time. It is something in the legislation which ought to be redressed, and I have moved the amendment to achieve that objective.

The Hon. J.C. BANNON: The Government cannot accept that amendment. The banks have made it quite clear that this would be impossible to handle. They want the sort of formulation that we have in the Bill as it stands. In that instance we have to listen to them. They have to implement the legislation and, as a result, I am not prepared to alter it.

Mr OLSEN: I ought to indicate to the House that the comment that the Premier has just made is not substantiated by the major trading banks in this State that I have talked to in this past week. They have said that they can write a computer programme to achieve that objective. Certainly, in the first instance, the identification of all these sideways transfers will present some work, but there is a process on those that can be done. That advice was given to me by the State Manager of one of the major trading banks in South Australia last week as a result of a specific inquiry that I made on this multiple taxing of a lodgement into one account. So, it would seem that the Premier and I in this instance have quite contradictory advice.

An honourable member: From the same institutions.

Mr OLSEN: I do not know whether it was from the same institution, but from a trading bank—a company or institution from which I sought advice on the practical difficulties that it foresaw in our attempting to move an amendment on that basis. That is the clear advice that was given to me on this matter.

The Hon. J.C. BANNON: The Leader of the Opposition has demonstrated in a number of other statements his lack of understanding of the legislation and its impact. I have here a letter dated 29 September 1983 from the Australian Bankers Association (South Australia) in which the Association says that the bank account records referred to in the previous paragraph cannot provide and cannot readily be made to provide banks with all or any of the following information. The letter goes through the place where the money was received, the character of the payment, the depositor, whether or not money was transferred from another account and, if so, where that account was conducted and who was the accountant. It goes on to say:

Therefore, banks submit that, in order to be able to calculate and collect the duty in an efficient manner, banks must be able to identify dutiable and non-dutiable receipts by reference to the type of account to which the receipts are credited.

The Hon. D.C. BROWN: The Premier has just quoted from a Government docket. I ask him to table that docket.

The Hon. J.C. BANNON: It is not a Government docket; it is a letter from the Australian Bankers Association.

The Hon. Jennifer Adamson: Which you are now separating from the docket. It is on a file. What about the rest of it?

The Hon. J.C. BANNON: These are various submissions from organisations.

The Hon. D.C. Brown: It is a Government docket; I can see that.

The CHAIRMAN: All the Chair can do is to ask the Premier whether in fact it is a Government docket.

The Hon. J.C. BANNON: It is a whole lot of letters. Yes, it is a docket; I am sorry. I well understand the Standing Orders rule in this case. I was quoting from a letter. I suppose that my willingness to try to assist the Committee has resulted in possible commercial problems. I ask the indulgence of the Opposition not to ask for the tabling of this. I am happy to examine it and to assist the Opposition Leader.

Mr OLSEN: The request has been for the docket to be tabled. In accordance with the provisions of the House that ought to proceed, but if confidential commercial aspects are contained in that docket it is not the wish of the Opposition for them to be laid on this House. The officers at the table could seek to check that to ensure that it is not commercially sensitive confidential information to be tabled.

The Hon. D.C. BROWN: Having made the request, I endorse what the Leader of the Opposition has said. Whilst I believe that the docket should be tabled, any information specifically in the document which is of a commercial nature could be removed. I do not believe that that should mean that just because there is one piece of paper in the entire docket that might be commercial the entire document should not be tabled.

The CHAIRMAN: Order! Before this matter proceeds, as the Chair understands it, I asked earlier whether the documents which the Premier has had given to him by his officers were confidential. It is up to the Premier to decide whether or not the documents are confidential. If he is saying that the documents are confidential that is a different matter. If they are not confidential, then the document could be tabled. That is up to the Premier.

The Hon. J.C. BANNON: I am happy to examine some of the matter and I am prepared to make it available to the Leader, but this group of documents is confidential and I have to rule it as such because they are submissions made in confidence. If people want to be technical I will explain what happened. In order to get that precise reference I simply picked up the reference, not realising that other papers were attached to it that had any significance. The point was taken; members will notice that I had a look to see whether it was a docket as I assumed that it was simply a copy because this is a photocopy of a letter. There are a whole lot of other documents that are submissions made to the Government with commercial sensitivity and I argue that it is a confidential document. I will attempt to convey

some of the information to the Leader. I am happy to do that.

The CHAIRMAN: The Chair has pointed out that if the Premier alleges that the document is confidential that is taken by the Chair as the situation.

The Hon. E.R. GOLDSWORTHY: A point of order, Mr Chairman. That, with respect, is not relevant. The fact is that if the Premier quotes from an official docket in the House, if requested to do so he is obliged to table that document. The test of confidentiality is irrelevant. The Opposition has agreed to modify that request in terms of not seeking to cause embarrassment to any firm or company if confidential commercial information is contained in that docket, but if the Government or the Premier or a Minister chooses to quote from a document which is on a document file which is a Government docket they are obliged if so requested to table that complete docket.

Members interjecting:

The CHAIRMAN: Order!

The Hon. J.C. BANNON: Apart from the confidentiality, I would appreciate it if this was not pursued. In fact, the matter from which I was quoting, though attached with a clip to the back of what is a docket paper, is not attached by way of a clip to the docket. It is not an original. It is a photocopy of a submission. I would argue that at the very most all that is required to be tabled, if anything, is the submission. I have already indicated that, after I look at it and see whether there are any matters of sensitivity, I will table it. It is not part of the docket.

The CHAIRMAN: The Chair accepts that explanation.

Mr LEWIS: I find unsatisfactory the explanations given to date and the manner in which we are attempting to resolve the outstanding question in relation to whether or not that docket should be tabled, given the mechanical nature of a clip: when is a clip not a clip? There is no precedent whatsoever in the history of this Parliament of a Minister, having admitted that he is quoting from a Government docket, being allowed to table selectively the contents of that docket. The Opposition was offering to arbitrate independently, and therefore I believe it would be better if the parties were to consider the matter in that context.

The CHAIRMAN: Order! The Chair will not allow the member for Mallee to enter a debate on confidentiality or non-confidentiality. The Chair has asked the Premier whether the document from which he quoted is confidential. The Premier has given some assurances to the Committee that he will examine the matter and, if the document is not confidential, as I understand it, it will be made available.

Mr LEWIS: I rise on a point of order. I do not believe it is up to the Minister. The member for Torrens tabled the whole docket when he quoted from it, regardless of whether or not the information was confidential. That is my experience. So that we can more effectively resolve this matter, I move:

That progress be reported.

The CHAIRMAN: Is the member for Mallee moving that progress be reported?

Mr LEWIS: Yes. I thought that was plain.

The Committee divided on the motion:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis (teller), Mathwin, Meier, Olsen, Oswald, Wilson, and Wotton.

Noes (21)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes - Messrs Ferguson and Klunder.

Majority of 2 for the Noes.

Motion thus negatived.

The Hon. J.C. BANNON: I move:

That progress be—

An honourable member: You can't do that for 15 minutes.

The CHAIRMAN: Order!

Members interjecting:

The CHAIRMAN: Order! If honourable members on both sides do not cease interjecting, the Chair will have to act accordingly.

Mr OLSEN: As I have explained, this amendment deletes multiple deductions in regard to an individual who lodges an amount in an account and that is then disbursed to numerous other accounts. It is for the sole purpose of removing multiple taxes related to one transaction. I refer to the payment of a salary into a bank account, and it has been put to the Opposition that this amendment is appropriate. Major trading banks have advised that the matter is achievable for computer programmes within institutions,

The Hon. JENNIFER ADAMSON: I support the amendment, which is fundamental to the Opposition's desire to modify this Bill to make it less obnoxious to the people. My Leader seeks through this amendment to remove the disincentive to efficient management of an individual's private financial affairs. Increasing numbers of people are using simple and technical means to manage their financial affairs, thus saving themselves hours every month through having funds moved from cheque accounts into other accounts. The effect of leaving in subclause (4) is to impose a penalty on everyone who undertakes such personal financial management. Surely the Premier would be anxious to avoid the distinct resentment that would occur in regard to the large number of people who have grown accustomed to this form of payment of accounts, debts and obligations if, every time money was moved from one account to another, duty was levied. The duty might not be levied just twice or three times, but it could be collected even more often down the line. Every time a transfer is made, another bit of cream will be skimmed off. The amendment seeks to bring some equity into the matter and to remove the more malevolent features of this taxation by ensuring that an individual's deposit is taxed only once. Clearly, people will do their utmost to avoid this tax. It will involve much time that could be more usefully spent. People will seek to avoid the imposition of multiple duties that could apply under subclause (4). Will the Premier reconsider his opposition to this provision? Will he identify the amount that the Government believes would be lost if the amendment were to succeed? There must be a significant cumulative effect which resulted in this clause. How much revenue would be lost? What is the percentage?

Mr OSWALD: I support the amendment. The Treasurer claimed that banks did not have the capacity to take the payment out each time money was changed from one account to another. In my confidential meetings at board level with credit unions, they claimed that they had no difficulty in that area. If a teacher's pay goes to a credit union, 4c in each $100 is deducted, and further duty is collected as funds are distributed into other accounts. The duty is levied repeatedly. The credit union has assured me that there is no difficulty in keeping track of that money.

It is improper to impose such a multiple duty. Clearly, this is what the Government is on about, and the Treasurer knows this well. The Government intends to be involved in multiple payments under the legislation. If a teacher pays $500 a week into his credit union account and moves it four or five times, the teacher will be paying 80c or $1 a

week. So much for the claim that 'it is only a matter of cents. It is not a matter of cents in regard to multiple claims, as the Treasurer knows. There is no difficulty in separating such payments. Therefore, the Government should accept the amendment. The Treasurer is aware that the difficulty does not exist with credit unions which he claims exists with banks.

Mr LEWIS: I heard the Premier's first explanation claiming that the banks did not agree with the Leader of the Opposition about his amendment. The Premier is tired and mistaken in his interpretation of the correspondence that he quoted to the Committee. That correspondence is not relevant to the question whether they would agree to engage in the identification of sideways transfers. The letter from the banking association, if read accurately to the Chamber, dealt with how many accounts were involved, saying that the information was not available. The Premier did not quote the date of the letter or the original request made to the association.

Accordingly, and in addition, he did not indicate the degree of haste with which he had put the inquiry to the association. I suggest that the association, for whatever reasons it had, answered that inquiry which was an inquiry as to the number of such accounts that existed in the primary instance and in total to establish the ratio between the actual number of separate accounts and the number of individuals operating them, and that the inquiry the Premier and Treasury officers made had nothing to do with whether they were prepared or able to provide the programming on their automatic data processing equipment that would make it possible to avoid double, treble and multiple dipping for this tax as funds were transferred from one account to another belonging to the same individual or family. It had nothing whatever to do with that.

Accordingly, I have put what I regard as the scenario to the Premier so that can correct me if I am mistaken rather than accusing me of some curious ambiguous question. I want him to confirm whether this is so or not since it will probably enable me to better understand whether or not the question he had asked to which he obtained an answer was relevant to the effect of the amendment which was moved by the Leader and which I support.

The Hon. J.C. BANNON: I think that I have said all that I can say on this matter. I think that the honourable member is being pretty tiresome in continuing in this vein. I understand what he is saying and, as I have found myself so often during this long night, I am in a position where I can add nothing to the points I have already made. There surely comes a point when, if one cannot accept what a member or Minister is saying, one agrees to disagree. There is no earthly reason, unless the purpose is to filisbuster, to keep reiterating this point because the answer will not change, agreement will not be reached, and the debate will not be advanced at all.

Progress reported; Committee to sit again.

[*Sitting suspended from 7.25 to 11.30 a.m.*]

VISITORS' GALLERY

The SPEAKER: Yesterday I gave an undertaking to advise the House further on a point of order raised by the honourable Deputy Leader of the Opposition that all members, including the Speaker, are precluded by Standing Orders from addressing the gallery. Standing Orders do require that members address themselves to the Speaker (and therefore not to the galleries) and, by practice, members have also not referred to persons in the galleries.

In the latter case the member for Mallee might have been at fault, but his remarks were an endorsement of my own and I would therefore be reluctant to deal harshly with him. In so far as the point of order related to me, Standing Orders require the Speaker to maintain order in the galleries, and the several remarks I made were directed to that purpose.

TOBACCO ADVERTISING (PROHIBITION) BILL

The SPEAKER: Order! I ask honourable members to listen carefully lest any allegation of inadvertence be made against us.

Bill received from the Legislative Council and read a first time.

The SPEAKER: Order! Again, I ask members to listen carefully. That the second reading be made an order of the day for—? The honourable member for—? No honourable member having risen in his or her place, I rule that this Bill lapses.

Members interjecting:

The SPEAKER: Order! Unless there is order I shall invoke Standing Orders. The member for Alexandra is strongly called to order.

The Hon. Ted Chapman: What for?

The SPEAKER: Order! The honourable member will resume his seat. The honourable member is most strongly called to order because he made a gesture that I regard as threatening or otherwise offensive across the House to some person unknown, and he repeated it: the honourable member has done it again.

The Hon. TED CHAPMAN: I rise on a point of order, Mr Speaker. My gesture, as you have described it, was in response to a similar gesture from the other side from one little member in the far back corner. I think it was to you, too.

The SPEAKER: Order! I do not intend to follow willingly the example of the Commonwealth Speaker of 1911.

STOCK MORTGAGES AND WOOL LIENS ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

LAND TAX ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

FINANCIAL INSTITUTIONS DUTY BILL

The Hon. J.C. BANNON (Premier and Treasurer): I seek leave to table a docket that was the subject of some debate in the Committee stage of the Bill earlier this morning.

The SPEAKER: As I understand the procedure, the honourable member simply tables the document by handing it to one of my officers.

Mr Ashenden: It's as thick as a book.

The Hon. J.C. BANNON: I could make an explanation.

The SPEAKER: Order! I will not have reflections made on the Premier in this way when he has simply tabled a document.

The Hon. J.C. BANNON (Premier and Tresurer): I seek leave to make a statement concerning that document.

The SPEAKER: Is this to be a personal explanation?

The Hon. J.C. BANNON: Yes, if that is the appropriate form.

Leave granted.

The Hon. J.C. BANNON: The docket that I tabled contains in full the letter from which I quoted an extract this morning that was attached by clip to the docket at the back. I have removed from the docket some sensitive confidential material containing actual financial figures, which were supplied confidentially. The docket itself is a working docket that one of the Treasury officers has been using as a ready reference, so there is no real pattern to the docket.

On the clipped portion of the docket is the full text of the letter from which I quoted from the Australian Bankers Association. The body of the docket comprises several submissions, which have been put together for the purpose of this working docket by the Treasury officer concerned. I am happy to table it, because there is no matter in it that has been deemed to be confidential. I will let the House examine that docket.

The Hon. J.D. WRIGHT (Deputy Premier): I move:

That further consideration in Committee of the Bill be now resumed.

Motion carried.

In Committee.

Continued from page 1639.

Clause 5—'Receipts to which the Act applies.'

The CHAIRMAN: The motion before the Chair is the amendment moved by the Leader of the Opposition to clause 5, page 6, lines 17 to 27.

Mr OLSEN: The Opposition's amendment encompasses the area of duty levied not on the original transaction of lodgment of funds into a bank account but, where there is an instruction to allocate part of that pay cheque to a mortgage or car repayment, duty is payable on each transaction. In effect, a person lodging that money will pay a tax proposed in this legislation not only on the initial transaction but also every time money is diverted from that account, whether it be to pay Bankcard, a car repayment, or whatever. It is a tax on a tax on a tax.

This amendment seeks to overcome that difficulty by removing that impost, and clearly highlights the inadequacies in this legislation; indeed, the Premier has admitted those inadequacies. For example, he told the Parliament a few hours ago that when this Bill becomes law he hopes a system will be devised to solve those problems. The Premier is saying that the legislation and the amendment before the House contain anomalies. We could talk about charities, sporting groups, the pay-roll area, or cash distribution.

It is important to acknowledge that the Premier has agreed that the Bill has holes in it and that it is an inadequate measure, but he wants Parliament to process the legislation in this form with those loopholes, inadequacies, and anomalies. That is an unprecedented position in which to put this Parliament, asking us to pass faulty legislation. It is not good enough. We have a responsibility to pass legislation, which leaves this Chamber in a way we can support.

For reasons that the Government acknowledges the legislation is inadequate in a range of clauses, according to amendments, not only mine but those four pages the Premier has put in, I believe we should report progress so that the Government can take the legislation away, consult with financial institutions, draft the appropriate measures and bring it back before Parliament so that we can consider the matter as it should be considered in a clean form, not as a makeshift piece of legislation full of holes. I move:

That progress be reported and the Committee have leave to sit again.

The Committee divided on the motion:

Ayes (18)—Mrs Adamson, Messrs P.B. Arnold, Baker, Blacker, D.C. Brown, Chapman, Eastick, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 4 for the Noes.

Motion thus negatived.

The Hon. J.C. BANNON: I reject totally what the Leader of the Opposition has put to us. I will deal with the specific point he raised, but in relation to the amendments placed on file by me, although there are four pages, they are in many respects consequential amendments that tie several aspects. They do not go to the base of the Bill in any way. It is appropriate that we do that at this stage. The matter of substance to which he has referred repeatedly cannot be dealt with in that way and will be appropriately dealt with in another place. The more of these rats and mice amendments, if one could use that common expression, we can clear up, the cleaner the Bill that will be dealt with in another place.

One of my officers put to me that we did not have to move these amendments in terms of the impact of the Bill. They have been put in as a result of a request for clarification by some of the institutions and, in the interest of acceding to their wishes and clarifying it, it is better to do it now. I have been prepared to accept some of the amendments moved by the Opposition where they have affected that sort of area. Some of their amendments are aiming to pick up certain elements, and that has always occurred in debate. There are innumerable instances where a Minister conducting a Bill has introduced amendments. I foreshadowed in my second reading speech that there would be a full week in which the Opposition could consult and put forward any amendments they wished. Equally, any institutions could have come to us and said that they would like something done or clarified, in which case I would be happy to accommodate. There is no big deal; it is an appropriate way to deal with the Bill in Committee.

There is no need to take away the particular amendment referred to: we oppose it for very sound reasons. I will repeat them, seeing the Leader of the Opposition has repeated his moving of them. My office has had discussions with credit unions and building societies on the matter covered in the Leader's amendment. They can change their system to enable them to credit, using an internal account, and the procedures covered in the later subclause (8) of this clause provide them with the ability to overcome the problem the Leader of the Opposition is talking about. There is no need to move the amendments. The subsequent amendments he is suggesting are not necessary, provided the existing framework of the Bill is used. It is now up to the financial institutions liable for duty to take the necessary steps. It is not talking about a tax on a tax on a tax. We have taken a number of steps to ensure that that does not happen.

Mr OLSEN: Will the Premier clarify the point that it is not a tax on a tax on a tax? If someone has his pay cheque lodged in a bank account and in the normal processing of that amount allocates a monthly amount to pay off an overdraft by a transfer, takes an amount out to an investment account by monthly transfer, pays for loan repayments, perhaps a car, by monthly transfer, or a mortgage, it is not only the initial crediting of the account but each individual transfer to each of the other accounts that will attract the duty. The Premier would have to acknowledge surely that it cannot be described as anything else but a tax on a tax

on a tax, depending on the number of transfers in an account.

I have no doubt that many members in this Chamber operate their banking like that. Certainly I do, to pay off some of my outstanding liabilities as this Committee well knows about these days. It is convenient and many people who have salaries credited monthly or fortnightly and make these arrangements for repayments do so for convenience. If one is to be levied on each occasion it has to be tax on a tax.

The Hon. J.C. BANNON: If internal transfers to stipulated accounts are done at the time of the lodging of that initial amount, then it will not attract further duty. However, if it sits there for a month and there are further transfers, that is a different matter. One is embarking on a new transaction.

Members interjecting:

The CHAIRMAN: Order!

The Hon. J.C. BANNON: The general procedure is to do those types of things as part of the one transaction, so there is no problem.

Mr OLSEN: I would point out that what one would have to line up, according to the Premier, would be to rearrange one's overdraft, mortgage and motor car repayments on the day of the hire-purchase agreement. What the Premier is talking about is nonsense. No-one will be able to rearrange their financial arrangements for those transactions to all occur on the one day. What the Premier has presented is an ideal situation that will not apply in practice. When one purchases a motor car and takes out a hire-purchase agreement, it is done on the day one buys the vehicle, and that is the day thereafter that the payment has to take place, as indeed with an overdraft or a mortgage. If one wants to avoid the tax, one has to arrange the mortgage loan repayments and other commitments to become operative on the one day. What the Premier is proposing is totally impractical. Citizens of South Australia will not be able to co-ordinate and arrange that in the way the Premier is suggesting without substantial expenditure to rearrange the mortgage and hire-purchase agreements. Does the Premier agree that the situation he has described of only one tax is an ideal situation but one which will not apply in practice without significant cost to people in rearranging the transfers?

The Hon. B.C. EASTICK: Let me advance the detail provided by the Leader in relation to the circumstances applying to every member in this Chamber. Members are paid by way of a cheque credited to their bank account. During a 12-month period that cheque will enter the member's bank account, if it happens to be the month of December, anywhere from 22 to 24 December.

There is an arrangement whereby there is a payment before Christmas Day. In every other month, there is a payment which might be on the 27th, 28th, 29th, 30th or 31st, depending entirely upon where the weekends come or where there is a holiday. Therefore, each member in respect of his own payments receives into his bank account his monthly entitlement not on a regular date but on an irregular date, depending upon circumstances of commercial activity associated with the accounts office of this Parliament, and that applies accross the board in the commercial sense to hundreds and thousands of other workers.

The Leader has pointed out quite clearly that, if an arrangement is made for those sums to be paid then into a series of other accounts each of which probably has a different monthly anniversary date because of the time at which the particular transaction first commenced, the member will either be paying in advance or paying in arrears. More specifically, if the member has an arrangement with a bank (and such circumstances apply if there is an excess of funds whereby there is an interest paid on his cheque account) he will be denied the benefit of that interest because the money is being paid in advance of the time when it should have been paid relative to a particular commercial anniversary. What is being said to the Premier is a fact of life and one which is as current as it applies to the Parliamentary scene as it does to the real world.

Mr Mathwin interjecting:

The Hon. B.C. EASTICK: Whilst I can accept that the Utopian view that the Premier has taken would allow—

Mr Mayes: Where is that, John?

The Hon. B.C. EASTICK: 'Where is Utopia?' says the member for Unley.

Mr Mayes: No.

The CHAIRMAN: Order!

The Hon. B.C. EASTICK: The circumstances that the Premier outlined are not the practical circumstances or the practical application of the commercial world. This is yet another reason why the amendment put forward by the Leader should be accepted by the Government, because it approaches and addresses the real world situation. This is another reason why this is only one of a whole series of measures dotted right through the 80-odd clauses and schedule of this Bill which require updating to the real world situation and why the Opposition believes fervently that this is an ill-conceived piece of legislation which will be improved by the endeavours of the Opposition. It also quite clearly fortifies the request made to the Premier last night that the measures be considered in a new Bill which is then considered and realistically approached. I support the Leader's amendment.

The Hon. J.C. BANNON: I think that the Opposition is making this measure needlessly complicated in the way in which it has been developed. This system has been operating in New South Wales and Victoria for some time now, and I remind members of the basic purpose of the duty and where it applies. In fact, it applies to receipted transactions of whatever kind: that is the basic thing. It is the movement of funds that is having duty levied on it. In the Victorian and New South Wales situation, even in the particular instance I gave where simultaneous transfers can occur, the duty applies. We did not believe that that was appropriate. We felt that, in the circumstances, it could properly be regarded and come within the purview of subclause (8), and that is what we have done. To that extent, there is an advantage in our legislation, recognising a system of internal transfer. However, where it can be plainly categorised as an actual receipted transfer, it will have duty levied on it, because that is what a financial institutions duty is. Therefore, I can say no more about it.

Mr ASHENDEN: I cannot accept the remarks of the Premier, although he has come the closest that he has for a long time to admitting that the tax which he is imposing on South Australians will hit them far harder than he has previously been prepared to acknowledge. I completely support the Leader's amendment, and obviously the Premier has great difficulty in understanding how ordinary people live and the way in which their transactions will be hit with a tax on a tax on a tax, which are the words used by the Leader.

I regard myself as a perfectly ordinary person in relation to my financial situation. I would like to use myself as an example so that perhaps the Premier will understand what we are trying to say. Sometimes I get paid on the 29th, the 30th, or the 31st of the month, so I do not even know on which day my salary will be placed through my bank account by the Government. How does the Premier think that we can possibly tie in the other payments which we are making out of our normal monthly salary to a day which is not even fixed? Make no bones about it (and it is in my declaration of interests): I do not own my car; I am leasing it; I pay that on the 5th. I do not own my house; I have a

mortgage on it; that is paid on the 17th. I have a life assurance policy which I took out before I came into Parliament. I pay for it on the 20th of the month. I have a bankcard which falls due on the 26th or 27th of each month. Obviously, when my salary is put into the bank (although, as I said last night, I am thinking seriously about being paid in cash in future), and I pay my bankcard, my salary will be taxed again. When I pay my mortgage, my salary will be taxed again. When I pay the lease on my vehicle, my salary will be taxed again. When I pay for my life assurance policy, my salary will be taxed again. So, it is all right for the Premier, who has been fortunate enough to be brought up in an environment where perhaps it does not matter how much money is taken out of his salary. Unfortunately, I am in the situation where my wife and I have to budget very carefully, and so do virtually all the constituents living in my electorate.

I will have no hesitation in pointing out to them that, if the Premier refuses to accept the Leader of the Opposition's amendment, their salaries will not be taxed just once, twice, or three times, but six to a dozen times. That is what the Premier wants, because he sees this as a way of getting more money into his coffers. Why would he not acknowledge the fact that that is what it is all about? He wants to tax our salaries many times. The Leader of the Opposition's amendment is fair and reasonable, and I do not know how any Government with any conscience could reject it.

The Hon. JENNIFER ADAMSON: The Premier has shifted his ground on this amendment at least four times, if my memory serves me correctly, in the debate which took place prior to 7.30 a.m. and that which took place subsequently. He is backing and filling, and pirouetting around almost like a ballet dancer: I have never seen so many movements. Whatever metaphore one uses, he is not being either direct or responsible in his response to this amendment. At various stages, the Premier has said on the one hand that he is opposed to it as a matter of principle. On the other hand, he says that the banks cannot handle the procedures inherent in the Opposition's amendment. Many hours earlier this morning, he said that this was the case. The Leader said that, according to the checks he had made, it was not the case and the banks would have no difficulty in handling the procedures inherent in this amendment.

In other words, it is a simplification, in order to ensure that duty is payable on a single deposit. The third position that the Premier took up was to say that the amendment was not necessary because the Opposition's fears were groundless. He spent some time trying to reassure us with soothing words on that point. He said that we need not worry: it is not a tax on a tax. The fourth position that the Premier took was to say that the difficulty with the compound duties on the single deposit was to ensure that one made one's arrangements for dispersal of the various sums through transfer to take place on the same day as pay day. The final and most accurate position adopted by the Premier was that the duty has to be payable on every transfer because the Government wants the funds. That brings me to a question that I asked in the early hours of this morning as to the component of the total that has been calculated and will be collected by way of cumulative taxes, obtained through transfers resulting from a single deposit.

It must be a significant amount, and the Premier must have a rough idea of what it is, otherwise he would not be so rigorous in his opposition to this amendment. One could hardly say that he opposed it with vigour. He has shown no logic whatsoever. Several of the Premier's five approaches have been contradictory. In referring to an earlier amendment I quoted from Bagehot, the English constitutionalist, as he is an authority on the relationship between the Legislature and the people. What we are talking about here is relevant to that relationship, namely, the Premier's refusal to recognise that what the Opposition is proposing is both practical and important. The Premier simply does not recognise that fact. Bagehot states:

> A monarch is useful when he gives an effectual and beneficial guidance to his ministers. But these ministers are sure to be among the ablest men of their time. They will have had to conduct the business of parliament so as to satisfy it: they will have to speak so as to satisfy it. The two together cannot be done save by a man of very great and varied ability. The exercise of the two gifts is sure to teach a man much of the world; and if it did not, a parliamentary leader has to pass through a magnificent training before he becomes a leader.

Mr Groom: It is very good of you to say that about the Premier.

The Hon. JENNIFER ADAMSON: Unfortunately, that description does not apply to the Premier in his approach to the amendments. The Premier has admitted that the Bill is deficient and that it will be amended in another place, but he refuses—presumably through wanting to save face and possibly with a touch of vanity—to accept the Opposition's amendments which will improve the Bill.

The Hon. J.C. Bannon: I've accepted some of them.

The Hon. JENNIFER ADAMSON: The Premier has accepted some amendments, but he has not accepted the fundamental amendments which remove the most obnoxious characteristics of the Bill. The Opposition believes that this amendment is fundamental and will remove a gross inequity in the Bill. We urge the Premier to reconsider his stand.

Mr BAKER: I refer to the Premier's statement about occasions when a salary cheque is put into a bank account and is then disbursed to other parts of the same institution to pay various debts. I refer to clause 5 (4) *(c)* (which we would like to see deleted), as follows:

> The transfer between ledgers or divisions in an account where different terms and conditions apply in respect of those ledgers or divisions'.

On such occasions the duty will be payable twice, as the average account will not have the same conditions attached to it as a transfer account. The Premier said that, when a cheque is paid in and transferred within the institution on the same day, it will not be dutiable.

Mr OLSEN: Will the Premier explain whether f.i.d. is payable when a land broker instructs his bank to issue a bank cheque for property settlement?

The Hon. J.C. BANNON: Not normally.

Mr OLSEN: I am sorry—

The CHAIRMAN: Order! The Chair is also sorry, because the Leader has spoken to the amendment four times.

The Hon. B.C. EASTICK: Will the Premier spell out more explicitly to the Committee what he means by 'not normally', as he has given the Committee less than adequate information on questions put to him?

Mr MATHWIN: Mr Chairman, I think that we deserve some sort of explanation—

The CHAIRMAN: Order! The Chair has pointed out on numerous occasions in this debate that the Chair has no power to direct any Minister or, in this case, the Premier, to reply.

Mr MATHWIN: I appreciate that and, through you, Mr Chairman, I inform the Premier that I believe that the Committee deserves a little more than 'not normally'. That is a shocking answer, given that the Bill contains such a conflict of ideas. If the Premier does not know, he should be honest enough to say so and be prepared to obtain the information (possibly from the Attorney-General). It is obvious that the Premier knows little about the Bill.

The Committee divided on the amendment:

Ayes (19)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick,

Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 3 for the Noes.

Amendment thus negatived.

The Hon. J.C. BANNON: I move:

Page 6, lines 39 to 45—Leave out paragraph *(a)* and insert new paragraph as follows:

(a) an account kept by a financial institution is debited by the financial institution with an amount that is to be invested, on the instructions of the person on whose behalf the account is kept, with the financial institution;

The substantive effect of the amendment is to delete subparagraph (1) of paragraph *(a)* of the clause but to preserve the remainder.

Neither the New South Wales nor the Victorian legislation specifically deals with the status of fees and charges paid to financial institutions by direct debit. Following representations from various institutions it is now considered preferable for this possible imposition on financial institutions to be deleted from the Bill.

New paragraph *(a)* ensures that the placement of investments with financial institutions, by using the account as a vehicle, will be dutiable. This is another example of those minor amendments that clarify and we believe assist by improving the New South Wales and Victorian legislation. Institutions have raised that particular matter. It is not a matter of controversy; it is simply an improvement. In fact, it is yet another example of what can easily be done to make sure that this legislation, which in essence is progressive and fair in its impact, comes in.

I think that honourable members have constantly lost perspective in relation to this matter. The Bill involves the cancellation of stamp duties on credit transactions, which at the moment are falling heavily on small businessmen and those on lower incomes, and that should be eradicated. In that respect the Bill provides an immediate benefit to certain groups in our community. However, because of its spread and the way that it applies, it is much fairer, much less a threat, it has no impact on the cost of living through the c.p.i., and it is not a threat to jobs and general wages (as some members have tried to imply). On the contrary, if one examines this tax, one can see that it is a far better way of trying to raise revenue than, for instance, increasing the petrol levy or various other franchises (and we have had to do a bit of that).

If honourable members opposite believe that a regressive approach of that kind is preferable and if they believe that that will not affect the cost of living, let them stand up and say so loudly and clearly. The fact is that it is does not have that effect. I am afraid that the Opposition's reaction comes about because of a failure to understand the way in which the tax applies. Honourable members opposite ought to know better. I think it is a wilful failure on their part. Legislation of this type has been in operation in two States for some time. The amendment further improves that situation. I am suggesting that, if one looks at the whole range of revenue options open to a Government, it is hard to find a fairer and better one for the lower paid and those in greatest difficulty in our community. It is difficult to find another tax with less impact on the cost of living than this measure. I think that once people begin to understand the Bill they will realise that we are not talking about some massive imposition, but that we are talking about a tax with an overall yield of about $14 million, which has involved the remission of certain other unreasonable duties. It is about time that that point received some recognition.

Mr OLSEN: This amendment is really a technical and cosmetic adjustment—

The Hon. J.C. Bannon: It is not cosmetic; it helps the institutions that have asked for it.

Mr OLSEN: The amendment is a cosmetic adjustment to the legislation, so the Opposition will not oppose it. The Premier has constantly said that because the tax applies in New South Wales and Victoria that justifies its automatic introduction in this State. The legislation in those two States has not come up to expectations and, indeed, many difficulties are arising in those two States as a result of the legislation. I acknowledge that, in the drafting of this legislation, consultation took place interstate. However, that fact should not prohibit nor inhibit the right of the Opposition to seek to improve it so that it can become good, workable legislation for the State, and so it supports this amendment.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 7, after line 15—Insert new subclause as follows:

(10) Where a financial institution provides a cheque to a person in exchange for cash, the financial institution shall not be regarded as having received money, except to the extent that the amount of cash exceeds the value of the cheque given in exchange.

This amendment inserts a new subclause (10), which is complementary to the present clause 5 (9), which deals with exchange of cash by a financial institution for a cheque and provides that such a receipt is not as an exchange dutiable. Conversely, some financial institutions may provide a cheque in exchange for cash: for example, on the issue of a bank cheque. That is not addressed in the Bill. It is agreed that it is appropriate that it should be dealt with in a manner similar to clause 5 (9).

Mr OLSEN: I repeat my comments about the previous amendment: the Opposition will support technical amendments.

Amendment carried; clause as amended passed.

Clause 6—'Non-application of Act to certain receipts.'

The Hon. J.C. BANNON: I move:

Page 7, lines 16 and 17—

Leave out 'This Act does not apply to or in relation to the receipt of money' and insert 'None of the following is a financial institution—'.

Clause 6 (1) lists various bodies the receipts of which are not receipts to which this Act applies. The purpose of the clause is to exclude such bodies from the definition of a financial institution, otherwise, it may be argued (but we do not suggest that it would) that they would be required to register.

However, this does not mean that the receipt by a registered financial institution of money from those bodies is a non-dutiable receipt. The clause deals only with the status of receipts by the bodies themselves, not the status of receipts by financial institutions. Unfortunately, some people have misinterpreted the proper effect of this provision. It is a pity there has been much misinterpretation of this measure generally.

For instance, if an open-ended invitation is issued for somebody to say how f.i.d. is affecting them, unless people have considered the legislation and its explanation and discussed it with the appropriate financial institution involved with working up this legislation, they will find it very difficult to say how they are affected. The whole thing has been clouded and obscured as part of the process to ensure that we remain sitting here for the greatest length of time at the greatest personal cost.

An honourable member: What sort of effect do you think it is having?

The Hon. J.C. BANNON: I have a fair idea of the impact the 'shock horror' approach is having on people out there. If one goes to someone in the street and asks, 'Do you realise this tax will hit you everywhere and will cost jobs?', what do you think people will say? That is how it is being presented. I assure honourable members I could sit down with any person of goodwill, go through it with them and by the end of the day they would understand that when one considers the revenue options we have, this is one of the best benefits that can apply to the ordinary or low-income earner. It will take a while for the community to absorb. The problem is that, as part of this process, there has been a misinterpretation of the way in which the legislation will apply.

Members interjecting:

The CHAIRMAN: Order! I respectfully request the Premier to speak to the amendment.

The Hon. J.C. BANNON: The issue arises in relation to a misinterpretation. However, to put it beyond doubt and in order to dispel any confusion that may be engendered, the proposed amendment inserts a new passage that expressly states that none of the listed bodies is one of the various institutions. There is a whole range of consequential amendments necessary for lines 18 to 45. On the so-called pages of amendments we have a series of consequential amendments, which relate to the one clarifying amendment. Without it, the interpretation of the Act would stand but, in order to assist those people who are concerned by it, we have decided to move this amendment. I hope that it will help in understanding the way we intend this measure to operate. I continue to treat the Chamber with the courtesy that I believe it deserves, but I wish the same sort of respect could be accorded to my attempts to do so.

Mr OLSEN: In relation to the latter remark, I remind the Premier that he was asked a specific question as to whether f.i.d. would be levied, and he said 'not normally'. When we asked what that meant, he was not prepared to answer. In relation to the amendment now before the Chair, the Opposition will not take issue with technical amendments to the legislation.

People out there do not know how f.i.d. will affect them. I suggest that is a reasonable response, because the legislation that was introduced was not in a form that was complete and took no account of all these matters. The Treasurer and the Government do not know, and the Government is bringing in amendments to its own legislation 24 hours after the debate started. How can the Treasurer expect people out there to know what it will mean? Is not the Opposition entitled to pose questions on their behalf to the Premier, and also entitled to legitimate answers?

The CHAIRMAN: Order! The Chair has allowed both the Premier and now the Leader of the Opposition to stray a long way from the amendment before the Chair. The Chair does not intend to allow that to continue.

Mr OLSEN: I thought that it was important to respond specifically. We have to identify implications in the legislation, what are the costs, and how it will affect people. That is what we are doing, and proving that this legislation has been ill prepared.

That is why we have consistently sought to have the debate deferred so that these matters can be attended to before the legislation proceeds. In any event, the Government has not been prepared to agree that the debate should be deferred to close those loopholes in the legislation. It has used its numbers to steamroll it through—legislation by exhaustion. Therefore, we have no alternative but to persist with our responsibility in this matter. The Opposition supports the amendment.

Mr LEWIS: Clause 6 (1) *(h), (i) and (j)* refers to the Credit Unions Services Co-operative of South Australia, the Credit Union Association of South Australia and the Funds Transfer Services South Australia Limited. Can the Premier say why they, for the purposes of this Act, are not financial institutions, and who are their principals? I need to understand that and so do the people of South Australia, in order for them to be reassured, as much as for me and other members of this House to be reassured, that there is no undue favouritism being shown to those organisations. With your indulgence and considered attention, I wish to notify you, Mr Chairman, that I desire to obtain information about the purpose of subclause *(k)* in the immediate future, though I will not pose a question about that now. I prefer the Premier to answer the questions I have asked.

The CHAIRMAN: The Chair has been extremely lenient in this question. The question before the Chair is an amendment moved by the Premier to insert 'None of the following is a financial institution'. The honourable member for Mallee has strayed completely away from that. I do not know whether the honourable Premier wishes to reply. The Chair intends to put the amendment.

Mr LEWIS: I rise on a point of order. I did not take the point of order earlier when this clause came on in the way other members have on earlier clauses when you did not see me rise. I wanted to ask questions about these subclauses.

The CHAIRMAN: Order! If the honourable member wishes to speak to the clause, that is a different proposition altogether. I would suggest that the honourable member should make clear when he stands that he wishes to speak to the clause. The question before the Chair is the amendment, but if the honourable member wishes to speak to the clause the Chair will allow him to do that as long as he actually refers to it.

Mr LEWIS: Thank you. On reflecting on the record of what I said earlier we will discover that that is exactly what I was doing. I specified it was clause 6 (1) *(h), (i)* and *(j)* about which I was seeking explanation. I have been saying that the whole time, and I was indicating to you, in the course of a conversation you were having with someone else, that I sought information about paragraph *(k)* but I did not want to confuse the Premier by asking too many things at once. I beg your indulgence to allow me to request the Premier to provide that information.

The CHAIRMAN: Order! The Chair recognises the member for Mallee and allows him to debate the clause, but it does not intend for the honourable member to go on and debate whether the Chair ought to be allowing him to do so. If the honourable member for Mallee wishes to debate something on the question dealing with clause 6 before the Chair he is quite at liberty to do so. I ask the honourable member for Mallee to be quite clear in what he wishes to do.

Mr LEWIS: Will the Premier state who are the principals of the organisations which, for the purposes of this Act, are not financial institutions, and which are included in paragraphs *(h), (i)* and *(j)*, and why have those organisations been specifically excluded from the effect of this Bill and this tax?

The Hon. J.C. BANNON: It is an advantage to them in a situation where they are a central clearing house or there are two smaller institutions which can join together for central processing so that we do not have duplication of duty. It is done in the other States and our formula is

roughly in line with that. It is of benefit to them if they have a central transfer area which does not attract duty, where they are acting as an intermediary in that instance only.

The Hon. TED CHAPMAN: In view of the Premier's answer to the member for Mallee, can he say whether it is fair that organisations acting as a co-ordinating receiving authority, such as the Wheat and Barley Boards, might be classified in the same way as the Credit Union Service Co-operative and the Credit Union Association of South Australia which are so classified and therefore exempt under this clause? If that is a fair consideration and it were adopted, will the Premier make it clear to the Committee, and therefore avoid an amendment to add those bodies?

Those organisations are on a national level and apply to our grain growing State. The Wheat Board and Barley Board, even the wool broking section of the community, and the livestock agents who in turn become the bankers of their respective suppliers and clients, are all in that same category. At about 1 a.m. from memory I raised this with the Premier, but it is more appropriate that it be pursued under this line now that we are looking at exemptions of such organisations as those contained in clause 6.

They are all in that category of being authorities established within the nation, and in our case within South Australia, for the purposes of receiving, packaging, dispatching, processing, and auctioning (marketing, that is) primary products from the multiple clients from around the community, both in the fishing, grain growing, wool growing, meat growing, horticultural, and viticultural communities.

They act as recipients of the goods, as marketers of the goods, as payers of the initial returns from the sale of those goods, and are like other institutions responsible for dispersing funds either in a single payment or in the multiple way by instruction from the client. The primary producer community is ordinarily exempt from such secondary taxes as the kind we have before us, and should also be exempt from the burden of this tax.

The Hon. J.C. BANNON: The member took a long time to go through his explanation. The point could have been encompassed and answered within the first two sentences in which he began the question. The bodies he mentioned are not financial institutions, they do not provide services to financial institutions, and are therefore totally irrelevant to clause 6 and its provisions.

The Hon. TED CHAPMAN: I cannot agree with the Premier's explanation in relation to organisations set up by the community with the blessing of the State and national Governments in this country, as is the case with the Wheat Board: they are service organisations. They provide a service to the banking, funding and lending institutions of the country. They are, by requirements under their respective Acts, set up for the purposes I have outlined in order to put some stability and orderly marketing process into the receiving, dispatching and servicing of the rural community's product, in this case, particularly the product of grain. They do not act as a banking institution as do the other acknowledged banks, lending and funding authorities of the community. They are a co-ordinating authority. However, by virtue of their office and obligation under their respective Acts, they are the national and, accordingly, State authorities which market our Australian product outside the country.

They are the only organisations in this country in the respective primary product grades authorised to do the marketing of those products outside the country. Accordingly, they are a service entity of the community. I cannot even sell wheat that I grow to the Middle East, Japan, Russia or anywhere else. The Wheat Board Act under which we function demands that that organisation be set up as a service authority for receiving, disposing, dispatching, and dispersing of the product that we, as primary producers, grow. In that context, it is clearly a service organisation, as are the organisations listed in paragraphs *(h)*, *(i)*, and *(j)* of clause 6. Will the Premier, either now or a little later when he has had time to think it through, at least give the House some undertaking that he will investigate and pick out the wheat from the chaff from what I have outlined, have those organisations mentioned and at least considered for inclusion under this clause?

Until we got the Premier's explanation of what was intended in several parts of clause 6, during Committee, there was no way for us to determine precisely why they were there and so listed. Now that he has given the explanation, I believe that he has invited Opposition members representing their respective groups in the community to have those group institutions and service organisations listed as well. Against that background, I ask that the Premier at least agree to consider the merit of having the boards, national and State organisations that I have outlined, and the service authorities in the community incorporated along with those that he has listed already.

Mr LEWIS: The other question I want to ask the Premier relates to clause 6 (1) *(k)*, which states:

by any prescribed person or person of a prescribed class.

What did the Premier have in mind there? To whom will he give out the favours, and how will he do it?

The Hon. J.C. BANNON: I guess that it could best be described as a safety valve. If some case comes up that could be put to the Commissioner that does not fall easily within these, but clearly comes within the intention, it provides the flexibility to do something about it: it could be of assistance. We do not know of any examples where this may arise, but clearly it is a good idea to provide it in the legislation so that, if there is a contingency or a special case, it can be dealt with by prescription, that is, by regulation.

Mr LEWIS: I have read the list of organisations which are not financial institutions for the purposes of the Act. I take it that, as the clause stands, outfits like the United Farmers and Stockowners, the Australian Institute of Agricultural Scientists or a trade union would still pay this tax on their transactions through the financial institution, and there is no intention whatever to exempt such organisations under clause 6 (1) *(k)*?

The Hon. J.C. BANNON: I would not like to give any advisory opinions. We have dealt with this matter on five or six occasions during the course of this very long debate and I have given the same answer on each occasion. As I said, I cannot describe 'a prescribed person' under this clause because, until a case arises, it would not operate. It is a safety valve. Let me make clear that financial institutions pay the duty. It is up to them how they pass it on. The Bill will allow them to pass it on in certain cases, and we have been looking at some of the groups where they cannot.

In the cases mentioned by the honourable member, I would not like to make a definitive statement but I think that I have already referred to trade unions and the U.F. & S. If an institution wished to pass on to them a duty, it could do so under the Bill.

The Hon. TED CHAPMAN: Is the Premier saying that transactions of the Wheat Board and the Barley Board are included or excluded from the requirements of institutional duty? This is the last opportunity I have to raise the question with the Premier, and it is similar to the second question which he declined to answer. I think that it is important for the Premier to tell members in clear terms whether the Wheat Board and Barley Board qualify in the transactions in which they participate for institutional duty, bearing in mind that they are not a lending authority, as are banks

and stock firms. They are co-ordinating and receival organisations of the nation's grain products, required to do so by the pattern that they follow under their respective Acts. Accordingly, under those Acts, they are required not only to receive, store, and dispatch the product in the form of an export and, accordingly, required under the same Act to receive the funds from outside the country in the form of returns for those products but also in turn disperse those returns by way of payments under the canopy of instructions under their Acts. Do they qualify for institutional duty and, if so, why?

The Hon. J.C. BANNON: I will try again. I answered this question earlier. If one looks at the clause and all the bodies mentioned from *(a)* to *(j)*, without knowing anything else, simply looking at the definition of a financial institution, one will see that they are financial institutions. The clause says that, despite the fact that they are financial institutions, the Act does not apply to or in relation to the receipt of money in those instances. It is an exception to ensure that there is no levy. It does not say, 'and the Act does not apply in relation to the receipt of money for bodies such as the Wheat Board and Barley Board, which are not financial institutions'. It does not have to say that, because the Bill relates to a financial institutions duty which applies to financial institutions, so it is quite irrelevant. They are not caught up in this clause or in the Act.

Amendment carried.

[Sitting suspended from 1 to 2 p.m.]

The Hon. J.C. BANNON: I move:

Page 7, line 18—Leave out 'by'.

Amendment carried.

Mr OLSEN: I move:

Page 7, after line 20—Insert new paragraph as follows:
(aa) by a trustee of an approved superannuation scheme in his capacity as such;.

The reason for this amendment is that clause 6 (1) *(a)* overlooks the situation of an individual or individuals acting in the capacity of trustee of an approved superannuation scheme. One could ask why should only large corporations be exempted. What about small business operators with fewer than 20 employees or contributors to their superannuation schemes? Why should he be discriminated against? That is why we seek to include this new paragraph.

Larger companies often conduct superannuation funds in which the management is vested with individual trustees. They also ought to be in the same position as managers of the supernnuation schemes of corporations. This amendment tries to correct one of the anomalies in the Bill so that the small business operators are covered by the legislation as well as the larger corporations.

The Hon. J.C. BANNON: I think that is a fair point. The Government has no objection to it.

Mr BAKER: The first word of paragraph *(aa)* is 'by'. We have just deleted 'by' from clause 6. If this amendment is passed as worded, one paragraph will start with 'by' and the rest will start with 'a'. This is consequential on the Premier's amendment to line 18.

The CHAIRMAN: I take it that the Committee agrees to the word 'by' in this amendment being deleted?

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 7—
Line 21—Leave out 'by'.
Line 23—Leave out 'by'.
Line 26—Leave out 'by'.
Line 29—Leave out 'by'.
Line 38—Leave out 'by'.
Line 40—Leave out 'by'.
Line 41—Leave out 'by'.
Line 42—Leave out 'by'.
Line 43—Leave out 'by'.
Line 45—Leave out 'by'.

Amendments carried.

Mr OLSEN: I move:

Page 8, line 1—After 'subsection (1) *(a)*' insert 'and *(b)*'.

This amendment is consequential upon my amendment to line 20. It is a typographical error and I ask the Committee to accept the amendment.

Amendment carried; clause as amended passed.

Clause 7—'Definition of dutiable and non-dutiable receipts.'

The Hon. J.C. BANNON: I move:

Page 8, after line 23—Insert new paragraph as follows:
(ba) a receipt of money by a registered financial institution, being the repayment of moneys that have been invested in the course of short-term dealings by, or on behalf of, the financial institution;

A submission was received that pointed out that, although the Bill exempts short-term dealings, it does not exempt the repayments of moneys invested on the short-term money market. There is some merit in the submission that such repayments should be exempt. We accept the logic of that, hence the amendment.

The Hon. JENNIFER ADAMSON: On page 9, clause 7 (2) *(n)* refers to a receipt of a class declared by regulation to be non-dutiable. The Premier may not be able to answer this question in precise terms, but I would appreciate at least an indication from him as to whether the matter I am raising can be taken into account.

In the second reading debate I referred to various processes which the consumer dollar goes through when it is spent with a travel agency and the amount of duty it would attract because of the banking arrangements of travel agencies. I referred to what is called the International Association of Travel Agents bank settlement plan. Agents accredited as IATA agents have once a fortnight on a specified day to pay into a bank settlement plan all the receipts they have acquired by way of transactions.

From that account these receipts are then disbursed to the tourist operators, airlines, hotels, or whatever, from whom the travel agency has purchased goods or services on behalf of the customer. In effect, it is a trust fund which acts as a guarantee and protection for the consumer and for the agency. In the second reading debate I made the point that, if one examines the total turnover per annum of South Australian travel agencies and bases it on 10 per cent of the national total, one finds that that turnover is about $200 million. If one accepts that each dollar has a minimum of three transactions associated with it in regard to the travel agent, one arrives at the sum of $240 000 of f.i.d., which is a very significant sum. If the bank settlement plan of IATA were declared by regulation to be non-dutiable, that certainly would reduce by a significant amount the duty taken out of the travel industry in South Australia in any given year. Whilst I realise that the Premier may not be able to give an undertaking that IATA will be included in the exemptions, I ask him whether my description of the IATA bank settlement plan would qualify it for exemption by regulation as a non-dutiable class of account?

The Hon. J.C. BANNON: Subclause (2) *(n)* of clause 7 is a safety net clause to allow for contingencies that may arise. Paragraphs *(a)* to *(n)* cover all the known cases at the moment, which is based on interstate experience. Certainly in Victoria a provision of this kind applies, which I think is a desirable thing to have as it gives the Commissioner the ability to deal with a certain situation. The treatment of the sort of transaction that the member described would almost certainly be dutiable, because it represents payment

into another account and therefore would not attract the exclusion provided for by this clause.

The Hon. JENNIFER ADAMSON: If that is the case, it seems to me that the function of the other receipts as identified in paragraphs *(a)* to *(n)* of subclause (2) are in effect parallel to that which I have described for the IATA bank settlement plan. In effect, I understand that it is a trust account. I will certainly make my own inquiries, but this is a situation where it is quite valid for inquiries to be made while the debate is between the two Houses and for an answer to be provided, if not now, at least in the other place as to whether IATA would qualify, and whether indeed in the other States it has been identified and declared to be non-dutiable. We are talking about very big money: $2 billion worth of turnover in travel through agencies in Australia in a year—$200 million in South Australia. When the industry realises that a quarter of a million will be extracted by the Government as a result of this tax, I think there will be a fairly high degree of concern, because travel agents operate on such very narrow margins. If the extent of the duty could be ameliorated by having the bank settlement plan included as a non-dutiable class under this clause, I think the travel agents would feel that at least the merits of their case had received sympathetic consideration.

The Hon. J.C. BANNON: I will undertake to have that matter looked at and see what the position is.

The Hon. D.C. BROWN: Recently the Federal Government announced plans to encourage the establishment of venture capital companies in Australia to invest in high technology industry. Yesterday at the Festival Centre I had the opportunity to hear Sir Frank Espie, who was Chairman of the committee which brought down the report recommending the establishment of venture capital companies. Basically, they are companies that lend finance and they certainly would be caught up under the provisions of the Act as a financial institution. They would certainly exceed the $5 million requirement. Therefore, I think they are clearly dealt with under the Act. If they were to receive exemption, that would have to be provided under the provisions of clause 7.

On several occasions the Premier has indicated his support for the establishment and encouragement of venture capital companies within Australia and particularly here in South Australia. Is it the Premier's intention to tax the finance going through these shortly to be established companies? From the talk yesterday I understand that the Federal Government is currently preparing legislation to establish capital venture companies and that under that legislation the investors in those companies will be given exemption from paying tax on all of the moneys invested in the venture capital companies. I think it would be a rather sad blow for this new venture trying to establish high technology industry in South Australia if it were to be caught up under this legislation. I ask the Premier whether he will consider granting exemptions to such companies providing finance. Otherwise, what we are trying to establish in this State in terms of high technology industry could be damaged.

The Hon. J.C. BANNON: The honourable member is talking about what is really another form of exemption, whereas clause 7 is dealing with the ways of treating transations between financial institutions. These bodies have not yet been established and their exact form has to be finally determined. When that occurs problems can be assessed. I am not sure whether this is the appropriate clause to deal with this matter. It is a matter for the future and I would not like to give an advisory opinion on it.

The Hon. D.C. BROWN: Whilst I appreciate that the Premier cannot give a specific commitment because legislation has yet to be drafted and passed through the Federal Parliament, I would ask him to give an 'in principle' answer as to whether or not he believes these companies should be exempt from this legislation. I realise that a specific provision could not be drawn up to exempt the companies, but I am asking for an 'in principle' decision from the Premier. I am sure that he would agree with me that, having established Technology Park, the Innovation Centre and other high technology incentives for South Australia, it is important that we now do not go out and hit the next most important incentive of all, namely, those venture capital companies. I ask the Premier to give an undertaking today that certainly it is the policy of the Government to not include those types of companies once they are registered and formed under this type of legislation.

The Hon. J.C. BANNON: I cannot do that because, until we see the legislation and know precisely what the form of these companies will be, how the licence will be issued, and so on, it is difficult to give an 'in principle' decision. I am sympathetic to the idea the member is raising. Let us wait and see. They do not exist at the moment.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 9, lines 23 to 25—Leave out 'under a credit contract or'.

Various listed receipts are non-dutiable receipts for the purpose of the Act. Paragraph *(l)* relates to the supply of goods but is qualified by reference to credit contracts and rental business receipts. The purpose of the referral to credit contracts would have been of far greater significance had the Government decided to retain credit providers as registrable financial institutions. Now, in the circumstances, we believe it is appropriate to delete it because credit providers are not being dealt with. That involves the retail stores, which makes the statement of the Secretary of the Retail Traders Association even more curious. We moved to ensure under this credit provider provision that their problems are overcome. Perhaps he is not clear on that. It is a pity that he has gone off without actually looking again at the reality of the legislation. It really is a curious process of anticipated problems when, in fact, many of the problems raised have already been looked at.

The Hon. Jennifer Adamson interjecting:

The Hon. J.C. BANNON: I really meant problems about which people have apprehension that is not well based, as they have not looked closely enough at the Act. We made a specific provision for credit providers and it is not contained in Eastern States legislation. We did that to ensure that a particular problem relating to retail store credit does not arise. Therefore, the reference in paragraph *(l)* will be changed and deleted. It is noted that the presence of the reference to credit contracts have been the subject of some comment and confusion since the introduction of the Bill. That is unfortunate and I hope I have clarified the matter.

Mr OLSEN: I have acknowledged that, in relation to credit provision services for retail stores, the Premier's argument is substantiated. However, in relation to the banking and transactions of the retail stores themselves, a fee of .04 applies to any institution banking its money. I take it that it is not only the aspect that the Premier referred to but also the additional aspect where there is not a cost to these institutions. The total cost of .04 in the normal banking requirements, which will be an extra cost to the store and an extra expenditure, will be passed on to consumers. Inevitably, where there is a cost to commerce or industry, that cost will wind its way through the prices of the articles sold. It is absurd to say that any company will absord that cost; it will not. Therefore, Mr McCutcheon's comment in the *News* today has validity.

The Hon. Michael Wilson: I think the Premier got it wrong.

Mr OLSEN: The Premier took one side of the coin. As well as the viewpoint put by the Premier there is the other side of the coin which is irrefutable. The cost has been passed on to the retail industry and will be passed on through prices of goods and services to the consumers.

Amendment carried.

Mr OLSEN: I move:

Page 9, after line 32—Insert new paragraph as follows:

(ma) a receipt of money by a financial institution that occurs by reason of an amount being credited to an account of a particular person where there is a corresponding debit to another account of the same person that is an account—

(i) kept by the same financial institution;

or

(ii) kept by a financial institution that is a member of a group of which the firstmentioned financial institution is also a member, both financial institutions being banks;.

The new paragraph *(ma)* has to some extent been explained in dealing with clause 5 (4), which we sought to have deleted, but which the Committee determined we ought not to do. It refers to the non-payment of duty on transfers for accounts in the same name with the same financial institution. We have debated at some length that principle. Despite the fact that, in the interpretation area, the Government saw fit not to accept our amendment, we want to put it to the Committee again. The substantive part of the amendment seeks to remove the tax on a tax on a tax, and seeks to remove the anomaly in the system where a person will have to pay duty on a number of occasions.

If we take the duty rate of .04 and apply it to the pay packet when it goes into the account and also apply it when it goes out, the tax is increasing up to possibly .06, according to the amount disbursed. It is not a tax of .04. We can refer to it as a tax on a tax or, in effect, by the time the money transfers through the system, the rate of duty on the initial transaction will be far in excess of .04.

The Premier has said that .04 is such a small amount as to be irrelevant. However, I suggest that the compounding effect of this legislation takes it out of that category and pushes it up quite significantly. The number of people to be caught in the net would be substantial. I do not believe that the legislation ought to be proceeding down this course. Quite clearly the building societies, credit unions and the like have indicated to the Government that they have the capacity to identify multiple transfers out of accounts without any difficulty at all. In relation to banks there is some point of disagreement between the Premier and myself, and we will have to agree to disagree. He put a point of view and we have sought to put a viewpoint on advice from trading banks in this State. One of the real inequities in the legislation is the compounding tax effect—double dipping or multiple taxing—on single transactions. That is an objectionable aspect of the legislation and it ought to be corrected by amendment.

If the banks had put the point of view to the Premier that it would be too difficult to write computer programmes to identify these transactions, I suggest that the motivation behind that would be as put to me by one of the major banks, namely, that to rewrite computer programmes to collect the Government tax would incur a cost of about $50 000 in addition to the cost per transaction in computer time, processing, and the like of .04; that is, it equates to the tax. The cost of servicing and administering the tax collection would equate approximately to the cost of tax for those institutions.

I imagine that some may well have put to the Premier that it was a difficult area in which to be involved and in keeping operating costs down. This impinges on the principle of the Government using a range of other instrumentalities as the collecting agent for its tax measures so that it is removed from tax collection as far as possible. Certainly, f.i.d. does that, because other institutions have the odium of picking up the tax, and the Government reaps the reward of the cheques coming in regularly to the State coffers.

It is objectionable that those institutions should be required to do that and incur a cost in so doing, but we can, without much trouble, implement this clause which would take off the double-dipping and multiple tax. As to the Premier's proposal in clause 8 on how this could be co-ordinated, with money coming in and going out on the same day and the tax not then being levied, we have demonstrated in practical terms that that simply will not work.

If it will not work that means one of the provisions of this legislation specifically put in by the Government to exempt some areas is not operative; it has to work in a practical environment, and the Premier's example is not valid. Therefore, we persist with this amendment so as to eliminate what we see as an anomaly in the system, to remove an inequity and an extra impost on South Australians who bank money regularly and transfer it to a range of other accounts, and to stop double and multiple taxing. I have no doubt that with some trouble and cost the private sector can identify that. The cost factor is the principal one about which we are arguing. It is an impractical exercise for the institutions to undertake.

The Committee divided on the amendment:

Ayes (20)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Noes (21)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 1 for the Noes.

Amendment thus negatived; clause as amended passed.

Clause 8—'Short-term dealings.'

The CHAIRMAN: That this clause stand as printed: for the question say 'Aye', against 'No'. I think the Ayes have it.

Mr BAKER: I seek clarification on clause 8.

The CHAIRMAN: The Chair will allow the honourable member to go back to clause 8, but I assure him that the clause was put.

Mr BAKER: I was on my feet, Sir.

Members interjecting:

The CHAIRMAN: Order! It is not for the Chair to be responsible for members who wish to attract the Chair's attention. It is up to the honourable member concerned to attract the Chair's attention. The honourable member for Mitcham.

Mr BAKER: In clause 8 (3) *(a)* there is a formula $\frac{A}{10B}$. Why is the 10 there, representing one-tenth of the average daily balance? Why is one-tenth of the daily balance the amount on which the duty will be levied?

The Hon. J.C. BANNON: That amount has been chosen because, if a dealer is operating, he obviously has an Australia-wide operation, so a reputed 10 per cent of that would attract duty in South Australia on the basis of that Australia-wide dealing. It is in order to ensure that the money market dealer does not have the full amount of the duty levied on him. A 10 per cent figure is struck as a rough rule of thumb to protect him from that duty.

Mr BAKER: I assume that the dealer does not declare what his interstate receipts are: he in fact takes the 10 per cent as being the average of his total Australian operations.

The Hon. J.C. BANNON: That is correct.

Clause passed.

Clause 9 passed.

Clause 10—'The Commissioner.'

The Hon. JENNIFER ADAMSON: As far as I can see, this clause represents the only appropriate opportunity in the Bill to question the Government about the cost from the Government's point of view, not from that of the financial institutions, of the administration of the Act. How many staff does the Government expect to employ to administer the Act, what will be the classification of the Commissioner of this Act, and will the Commissioner be engaged full time in its administration? What provision has been made in this year's Budget for the administrative costs that are non-wage costs: in other words, office space, rental, cars and whatever other areas are necessary for the administration of the Act?

I recall during my first term in Parliament, when this House debated the Tertiary Education Authority of South Australia Bill, the Opposition at the time resisted that Bill. Some time after its passage I was startled, if not horrified, to see an advertisement for staff for the Tertiary Education Authority of South Australia. The aggregate of the salaries in that instance, from recollection, was in the region of $250 000 per annum, and upon seeing that advertisement I resolved that never again would I allow legislation to go through this House without requiring from the Government an indication, as accurate as it could be, of the cost to the taxpayers of the passage of the legislation. The State Budget has been passed and there must have been provision in it for administrative costs. I therefore assume that the Premier is able to give me details of the numbers of staff, the classification of the staff, the cost of office space and the associated capital equipment.

The Hon. J.C. BANNON: It is a pity that we are having questions asked which indicate that members are not trying to remember what has gone on before.

The Hon. Jennifer Adamson: Don't say that to me; I've been in this Chamber the whole time.

The Hon. J.C. BANNON: I just answered a question from the member for Mitcham which was covered in the second reading speech. Now the honourable member asks who is the Commissioner and what cost does that involve. The Commissioner is defined in the front of the Bill. For God's sake, I would hope that members would try to read the thing. Am I meant to be here giving a kind of simple message, word for word, as though members are not able to read or understand, and as though we have some sort of infant class on? That is quite inappropriate.

Mr Mathwin interjecting:

The CHAIRMAN: Order!

The Hon. J.C. BANNON: The honourable member asked a reasonable and substantive question in the middle of all that, which I intend to answer, relating to the numbers that would be involved in the administration of this legislation. In terms of setting it up and establishing it, it will require nine personnel and the on-going running of it will require four. That is done on the basis of reimbursement. In other words, it stands to reason that any numbers employed in that respect will obviously more than pay their way in the sense of the revenue so derived. Bearing in mind the setting-up cost, in the first year the cost will be $175 000, and in the second year the on-going cost would be about $120 000. They are estimates but that is the cost of the administration.

The Hon. JENNIFER ADAMSON: I take the Premier's point in response to his understandable irritability in terms of my failure to pick up the definition of the Commissioner and how that person will be employed. I can only say that, after untold hours (I have not kept count) of debating, we have to be allowed a little bit of leeway for the occasional lapse, which in other circumstances would not be forgivable and would not occur. The fact is that I have not slept since the day before yesterday, and I really object to the kind of hostility that the Premier is exhibiting when people on this side are attempting to do their best for the people they represent, for the people of South Australia, but are continually being almost abused if not ridiculed for failure to read certain aspects of the Bill.

The Premier knows that this is one of the most technical pieces of legislation to come before this House, and I for one find it very difficult to come to grips with it. I am not a lawyer, and I have not been involved in the banking or finance world, but there are a terrific lot of people like me in South Australia who will be affected by this Bill, and it is for them I am speaking. The question in terms of the composition of this Parliament is not who are the highest brains and intellects who can understand and read legislation easily: this legislation has to be understood and will affect many people who would, I suggest, have even more difficulty than even I am having with it. So, I acknowledge my mistake and I apologise for it, but I do object to this hostility and ridicule.

The Hon. Michael Wilson: Patronising.

The Hon. JENNIFER ADAMSON: Yes, patronising. The Premier is a law graduate: I am not, and I am asking with I hope as much courtesy as I can—

The CHAIRMAN: Order! I think the Chair has been fairly lenient on the question of how far the honourable member can go. The Premier went too far, but I think that the honourable member should come back to the clause.

The Hon. JENNIFER ADAMSON: I will do so. The amount of $175 000 will be a charge against the total tax collected. Is it the experience (and I must confess that I am not aware whether we have been told of the dates of introduction of this tax in the Eastern States) thus far that, once the initial setting up period has passed (in this case slightly more than double the amount of staff is required to set up the operation), does the work load of what I would describe as a comparatively small staff of four remain static or increase? Does that staff of four comprise clerical people only or does it include inspectors and, if it does not include inspectors, can the Premier say who employs them if the Commissioner does not, and are they drawn from who knows which Government department that fulfils some kind of parallel inspectorial function? In other words, do the nine and four include clerical and administrative staff and inspectors, or are the inspectors outside the ambit of the answer to that part of the question?

The Hon. J.C. BANNON: The taxation office has a pool of staff and these are the extra resources. If an occasion arises when one needs extra staff because of a seasonal load (and I do not know whether that has occurred in this case) staff can be deployed within the office. Therefore, one is not increasing the overall numbers to do that.

The inspectorate branch is attached to the Commissioner of Taxation, and its role is to carry out inspections for the whole range of taxes. What extra resources, if any, we will need is not known. It is fairly unlikely that there will need to be extra resources although, in the attempt to crack down on tax avoidance, plans have been under way to increase the number of inspectors. We are dealing with financial institutions, computerised check-offs, and so on, so I do not anticipate, bearing in mind that 85 per cent to 90 per cent of the duty will come from the banking sector, that there will be a big component of inspection in it at all.

The Hon. JENNIFER ADAMSON: Can the Premier provide advice about the cost of the administration of the

Act, which is really the nub of the matter for private enterprise. Many figures have been tossed around in the second reading debate and in Committee as to the cost to the financial institutions of the administration of the Act. We have heard that, in December in order to establish the administration of the Act, one South Australian financial institution will incur costs in excess of $100 000. I assume that the Premier has contacted all financial institutions that are to be affected and obtained from them information that would enable him to advise the Committee of the aggregate cost to the private sector and the financial institutions of administering the Act.

It is absolutely critical that the Committee has this information because certainly the taxpayers and consumers of South Australia who will ultimately be affected by it are entitled to know. The lead story in today's newspaper, of which I have only scanned the headlines, refers to the run-through costs. Therefore, the costs incurred by financial institutions to administer the legislation will certainly, as the Leader explained, flow through business and ultimately to the consumer, and it is important that the Committee be informed of the estimated total cost to the private sector of administering the Act.

The Hon. J.C. BANNON: I cannot produce that kind of figure. The cost to the institutions will be minimal. It is a question of setting up their systems, and I guess that the honourable member is considering that the most efficient tax is the one that costs least to collect. The more one spends on collecting the tax, the less efficient it becomes and, therefore, the less valuable. That is one of the features of the financial institutions duty: it is an efficient tax in those terms. There is not much on cost: it is marginal as regards the State Taxation Office and the institutions themselves.

Mr OLSEN: With your indulgence, Mr Chairman, I indicate to the Committee that the Premier was somewhat concerned about the question that the member for Coles legitimately asked. We have just received the second batch of amendments. One has to acknowledge that this is complicated legislation, but we are receiving new rounds of amendments by the hour.

The Hon. J.C. BANNON: By way of explanation, I remind the Leader, because he has obviously forgotten, that I have attempted to accommodate the Opposition by accepting amendments where possible, and I have accepted three or four of the Leader's amendments. I pointed out, in accepting two amendments earlier this morning, that that would require an ancillary amendment because we were not accepting the Leader's amendments to clauses 31 and 34. I said that I would accept an amendment because I thought that it had some value. However, in order to maintain the scheme that we have, we would need a supplementary amendment that is easily drawn and uncomplicated, and they are the ones before you. They are a consequence of accepting the Leader's amendment. Had I not done that, those amendments would not be necessary, and I am sure that the Leader will have no problem with them. They do not add to the confusion: they assist to achieve part of the aim which he has set out to do, and I hope that he will acknowledge that.

Mr OLSEN: The legislation has anomalies and we have corrected them.

The Hon. J.C. Bannon: That is your job.

Mr OLSEN: Exactly, so let us not complain about the process we are using because we will get better legislation at the other end, and that is acknowledged by the Premier by agreeing to some of our amendments. We will deal with clauses 13 to 19 in block, once the improvements to the legislation are accepted. I think that it is important to point that out to the Premier, because he was getting rather agitated with one or two people. Our sole purpose is to make good legislation out of a faulty document.

The CHAIRMAN: The Chair has been very lenient, and points out that, in the course of a marathon sitting such as this, there will be times when honourable members will be a bit off-side. The Chair has asked before and will ask again that we show tolerance.

Clause passed.

Clause 11—'Delegation.'

Mr MATHWIN: Clause 11 relates to the Commissioner, who is defined as follows:

> 'the Commissioner' means the Commissioner of Stamps or the Deputy Commissioner of Stamps and includes any other person while he is performing any of the duties or functions of the Commissioner of Stamps or the Deputy Commissioner of Stamps:

This clause, which relates to delegation, provides:

> The Commissioner may, by instrument in writing, delegate to any officer of the Public Service—

Yet, the definition of Commissioner is 'the Commissioner of Stamps and the Deputy Commissioner', nothing more. This seems to be contradictory. It seems to mean that the Commissioner could delegate to any member of the Public Service. Since I have been in this place, particularly during the past eight years, we have been trying to draft legislation so that the layman can understand it. Will the Premier explain this apparent contradiction?

The Hon. J.C. BANNON: The honourable member is right, the Commissioner does have a general power of delegation. That means that he can call on particular skills or expertise. Also, if neither he nor his deputy is there, he might want to call someone in, not necessarily from the Stamps Office, although that would be unlikely. This clause enables him to do that. He might want to bring in on a temporary basis a senior officer from another department or he might want to delegate authority to someone who has a particular expertise in computers, for example. That flexibility is contained in this provision, as it is in other areas where the Commissioner operates.

Mr MATHWIN: Is the Premier saying that this clause empowers the Commissioner, if he wishes, to appoint any officer of the Public Service in his stead to be his deputy? If that is the case, it is contrary to the definitions contained in the Bill and would need tidying up.

The Hon. J.C. BANNON: It is not a case of appointing, but the Commissioner has authority to develop certain functions. For example, it might be appropriate for the Commissioner of Corporate Affairs, following a particular line of inquiry, to take some action and the Commissioner of Stamps has the power to delegate certain of his powers in that respect. It is an aid to efficiency in the handling of these things and to make sure the best expertise is available to deal with any particular problem.

Clause passed.

Clause 12—'Secrecy provisions.'

The Hon. J.C. BANNON: I move:

> Page 12, after line 13—Insert new paragraph as follows:
> *(ca)* to the Commissioner for Corporate Affairs;

The Hon. J.C. BANNON: This amendment adds a new paragraph to the clause to allow the Commissioner to divulge to the Commissioner of Corporate Affairs information collected under the Act. This amendment is consistent with the accepted practice of giving the Commissioner of Corporate Affairs access to information in the possession of Government Departments and various authorities. It follows on the response I gave to the member for Glenelg in relation to the efficient operation of the office. Obviously, such information given to the Commissioner of Corporate Affairs under his Act and brief is privileged, and the discretion of the Commissioner relates to information that might be

necessary for that particular officer to follow up a certain line of inquiry, or whatever else is prescribed in his functions.

Mr BAKER: Can the Premier please state whether the finance industry, for instance, the Bank of New South Wales, which is an interstate-based bank, is required to divulge any information to the State Treasury on individual operations within its banking system in South Australia?

The Hon. J.C. BANNON: It is pointed out that this really touches on the powers of inspection that are dealt with later. The Commissioner has power to require records, books, etc. to ensure that the tax is being levied appropriately. He does not have power to inquire into profit and loss statements and things like that of a bank or any organisation. It refers to books necessary to assess or to ensure that the tax is being collected. It is circumscribed to that extent and it is dealt with in that way.

Mr BAKER: As far as I am aware this is the first intrusion into the operations of financial institutions in this way, and some limitations are placed on inspection. Is the collecting of information about the banking system to the extent that it could conceivably cover all individual accounts in each individual bank if, in fact, there is some query about the amount actually declared? I believe that there is some danger in this procedure. As far as I am aware the Government is now intruding into this area; information will certainly flow to the State Treasury on the individualistic nature of banking transactions and it does have that particular danger.

Amendment carried; clause as amended passed.

Clauses 13 to 20 passed.

Clause 21—'Registration of financial institutions.'

Mr BAKER: There is an either/or provision in respect to the cut-off point in regard to the receipts of financial institutions of $5 million for the preceding 12 months and $416 666 for the preceding month. As the Premier and everyone else would be aware, movements are cyclical, and under this provision a financial institution, which has received as little as $300 000 for the month, could be included because receipts for the previous month had exceeded $416 666. Does the Premier intend to give a little bit more explanation to financial institutions on the matter of whether every time an organisation receives receipts totalling more than $416 666 for a month they will be required to actually apply to the Commissioner for registration for assessment?

The Hon. J.C. BANNON: Subclause (6) provides that the Commissioner may cancel the registration of a financial institution if *(a)* during the preceding 12 months the total of the dutiable receipts of the group does not exceed $5 million . . . or if in his opinion the total of the dutiable receipts of the group during the succeeding 12 months is not likely to exceed $5 million.

I guess the operative word there is 'may'. The Commissioner has some discretion to exercise common sense after discussion with an institution. Therefore, any institution that is on the margin can obviously approach the Commissioner and they will sort out between them whether the institution is liable to register. That flexibility also covers seasonal fluctuation. If it is clear to the Commissioner that a holding in a preceding month is due to a seasonal factor, which may be recurring and which does not affect its overall annual results, the Commissioner will take that into account. I do not think think that there will be any problem in dealing with that.

Mr BAKER: If in the event a company does not exceed the $5 million limit, will the Premier refund duty paid?

Mr OLSEN: I move:

That progress be reported.

I do so in view of the fact that the Premier, who is responsible for the passage of the legislation through this House, has left the Chamber.

The Committee divided on the motion:

Ayes (20)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Noes (21)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood (teller), and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison and Becker. Noes—Messrs Ferguson and Klunder.

Majority of 1 for the Noes.

Motion thus negatived.

Mr BAKER: Referring to my previous question, I ask the Minister for Environment and Planning to give a proxy response to the question I asked of the Premier.

The Hon. D.J. HOPGOOD: I anticipated that the honourable member would want to proceed with his question, and I have taken advice.

Members interjecting:

The CHAIRMAN: Order!

The Hon. D.J. HOPGOOD: Whilst the financial institution is legitimately registered, its receipts would be dutiable and no refund would be available once the institution was no longer registered. Whilst it was registered it could operate an exempt bank account and its transactions would be exempt from duty. The net result would not be substantially different either way.

Mr ASHENDEN: I direct my question to the Minister for Environment and Planning, who is filling the shoes of the Premier whilst he is out attending a press conference.

Members interjecting:

The CHAIRMAN: Order! Will the member for Todd please resume his seat. I remind him that it is the understanding of the Chair that the honourable member is on one warning.

Mr Ashenden: That is not correct.

The CHAIRMAN: Order! I assure the honourable member that the second warning is very close.

Mr ASHENDEN: On a point of order, when was I given the first warning?

Members interjecting:

The CHAIRMAN: Order! There is no point of order. I assure the member for Todd that, if he pursues the matter in the way he is going at the moment, the Chair will deal with him.

Mr ASHENDEN: On a point of order, I merely asked when I was given my first warning.

The CHAIRMAN: Order!

Mr ASHENDEN: You, Mr Chairman, indicated that I was close to my second warning.

The CHAIRMAN: Order! The Chair is of the opinion that the Speaker has already warned the honourable member on another occasion during this session. The honourable member for Todd.

Mr ASHENDEN: I will put my question to the Minister for Environment and Planning, although I regret that the Premier and Treasurer is not here to answer the question because a constituent has put a question to me which he felt was of such importance that he wanted me to ask the Premier and Treasurer, who I have indicated, unfortunately finds that his priorities are elsewhere—

The CHAIRMAN: Order! The honourable member has already been told that he must seek advice or question on the relevant clause, and not comment. The honourable member for Todd.

Mr ASHENDEN: The question relates to clause 21 (1) *(a)* and *(b)* I have a letter from a constituent who holds a senior position in a financial institution in Adelaide. He

has pointed out that the turnover of his institution is such that it does not reach $5 million in any one year, although it almost does and has done so for the past few years. However, he has pointed out that, usually in one month and sometimes for two months in any one 12-month period, the amount of money that comes into his institution is greater than $416 666. From his interpretation of the Bill, occasionally his company is going to be required to register, but most of the time he is not going to be required to register. He obviously is therefore in a dilemma and has asked me to raise the question to determine whether he is going to be required to register on the month immediately after his turnover exceeds $416 666 and then when, in the following month, it does not reach that level, he will then deregister. He finds the situation absolutely ludicrous because, under clause 21 (1) *(a)*, he is not at any time required to register but, under clause 21 (1) *(b)*, he will be required to register usually one month a year and occasionally two months a year.

He and his colleagues in the industry are extremely angry about the Bill and even more so with this clause, as he and his company will suffer considerably. He does not know what to do, and believes that he has more to do with his time than to register one month and then deregister or whatever he will be required to do for the subsequent 10 or 11 months, possibly having to register again in 12 months. I tend to support his belief and I ask whether our interpretation is correct.

The Hon. J.C. BANNON: If the honourable member looks at clause 64 he will see that a mechanism exists for overcoming the problem that he has raised.

Mr ASHENDEN: The answer the Premier gave—

Ms Lenehan: You didn't even hear it.

Mr ASHENDEN: I apologise to the Committee, and admit that I did not hear the Premier's answer; another member was addressing me at the time. I ask the Premier whether he could repeat his recommended advice that I should give my constituent.

The Hon. J.C. BANNON: My response was to refer to clause 64 which provides a mechanism for dealing with the problem raised.

Clause passed.

Clauses 22 to 28 passed.

Clause 29—'Financial institutions duty.'

The Hon. J.C. BANNON:

Page 18—
Lines 37 and 38—leave out 'in South Australia'.
Line 39—Leave out 'of money' and insert 'to which this Act applies'.

The Bill is concerned not so much with receipts of money in the State as with receipts to which the Act applies. These considerations are mainly concerned with semantics. It is appropriate to revise clause 29 to accommodate the suggestion raised, and the amendment to line 39 is consequential on the first amendment. I seek leave of the Committee to deal with the two amendments simultaneously.

Leave granted.

The Hon. B.C. EASTICK: The Opposition is happy for the two amendments to be moved together. Because of the compexity of the issue, I ask the Premier, who has obviously had in-depth discussion as to the reason for the change, whether the Committee can be assured that there will be no double taxing, in the sense that because the transaction will not necessary take place in South Australia the same sum of money will not excite a tax, for example, in Victoria, and one in South Australia. I may not have the situation quite in my grip, but I believe that removing 'in South Australia' allows the taxation to be raised against transactions which are undertaken outside South Australia. As we appreciate, both New South Wales and Victoria currently have similar Acts; Western Australia is to get an Act. Are we certain that there is some arrangement as between the South Australian Government and the other Governments that will not attract to a transaction which is eventually to come to a claimant in South Australia an expectation that a person would be expected to pay a tax in South Australia on the external transaction, having already excited a State tax in Victoria, New South Wales or Western Australia?

The Hon. J.C. BANNON: Basically, we are dealing here with the flexibility to block avoidance measures over State boundaries. Some demarcation arrangement will probably have to be worked out between the various States, but the extent to which one can do that will depend upon other State legislation and various constraints. It retains that flexibility simply as an anti-avoidance measure, essentially.

The Hon. B.C. EASTICK: The Premier certainly has indicated the Government's intention to accept an element of flexibility. The Premier's inability to indicate that there is already in place an arrangement with another State to permit that flexibility and therefore to prevent any situation arising where the one sum of money will attract a tax in South Australia as it has in another State would suggest to me at this juncture that it certainly would be an area needing further attention when the measure comes on in another place. Although it is the Premier's intention that there be no doubling up under the circumstances that I have revealed, unless it is specifically spelt out in the eventual legislation, as the justices of the Supreme Court have said on so many different occasions, it is not the intention but what is written in the law that will determine its final effect.

So, I suggest to the Premier that if in fact (and I am not alleging necessarily that it exists) there is any element of doubt which would lead to the situation arising that the one sum of money was to attract the two taxes in two different States, that is a measure which should be brought before one of the Houses of Parliament before this measure becomes final law. I understood the Premier to indicate that it was his intention that there be a flexibility or arrangement which would not allow that. I want it spelt out so that the judges of the Supreme Court do not find themselves giving effect against a South Australian because the law is not specific in that area.

The Hon. J.C. BANNON: Because the law refers to the purposes of the Act, under this amendment I think there is no problem, as the member for Light suggested there might be. The Act, of course, has its validity in turn from being a Statute of this Parliament and whatever interpretations apply to that. We are really not saying by this amendment that this Act applies beyond the boundaries or shores of South Australia. We are simply saying that this Act, this liability, relates to the purposes of the Act itself and to what the Act applies.

The Hon. B.C. EASTICK: It is not an impression I get from looks of amazement in other places. The Premier has said, 'I think'. I do not want to be disrespectful, but the Premier's thinking is not good enough. It is the law as it will be interpreted by the courts that is of tremendous importance to members of this place before they allow a measure to go on the Statute Book. It is that issue that I am telegraphing to the Premier. If, on further advice available to him subsequent to this debate, there is an element of risk or doubt so that we do not have to think, so that we know, I seek an undertaking that that action will be taken in another place.

The Hon. J.C. BANNON: This provision has been fully checked out. It is not unconstitutional. I do not think it puts anything at risk.

The Hon. B.C. Eastick: You 'think'. There is the problem.

The Hon. J.C. BANNON: There is no doubt on anything. I am being very carefully legal here. Perhaps I should say

that legal opinion clearly is that this is a constitutional provision. I think it exists elsewhere. It is far better than the current provision. It tightens it up.

Amendments carried.

The Hon. JENNIFER ADAMSON: Clause 29 is really the pivot of the whole legislation. It is the crux of the Bill because it identifies the level of duty that will be imposed by way of financial institutions duty in South Australia. Really all the lengthy arguments that were put earlier in the debate about the date on which the duty should come into force, important though they were and still are, do not rank in importance with the actual determination of the level of duty to be imposed. The Government in clause 29(2)*(a)* determines that level as .04 per centum of the money received or $400, whichever is the lesser. Of course, if one is making a deposit or receiving an amount in excess of $1 million, $400 will be less. Anything above that will be spared duty. But, I would like to know from the Premier, as I believe many people in South Australia would, why he decided, really in the face of the entire history of the State, that he should reduce or discard the competitive edge which Governments in South Australia have traditionally recognised as being absolutely essential to our survival, let alone our prosperity and well-being, by selecting a level of taxation that was greater than that imposed in the Eastern States.

Admittedly it is less than that being imposed in Western Australia and more than that being imposed in two States and one Territory where no duty has been imposed. Selecting .04 per cent when New South Wales and Victoria have .03 per cent is a matter which is fundamental to South Australia and to the Bill. I am quite sure that the Committee will spend considerable time on clause 29, because it is the key clause of the whole Bill. The Committee is entitled to know what investigations the Government carried out in determining the rate of .04 per cent. Was the sole determination the total take that the Government requires to help balance its Budget and provide the services to which the Premier so frequently refers as being necessary? What account was taken of the fact that, by selecting an amount higher than those in the Eastern States, South Australia will be damaged, I believe, irretrievably and irreparably? How is it to become what the Premier himself has stated that he wishes it to become, namely, the investment centre, attracting head office capital from companies which would like to become established in this State?

By selecting .04 per cent the Premier has put the kibosh on that possibility becoming a reality. The Leader has certainly made as I have, many phone calls. I have made my own in respect of the tourism industry and to a limited extent, the banking industry, and the general opinion is that the money that South Australia could have attracted by way of capital in terms of deposits in financial institutions will not be attracted here because it will be siphoned off to Queensland, the Northern Territory and Tasmania. The fact that those States do not have the duty will serve to create a magnetic effect for capital, and not only for capital but for financial transactions. It is well known, for example, in the tourism industry that planes have been bringing bags of cheques to be deposited in South Australia rather than have them deposited in the Eastern States, and the Premier would, I am sure, be aware of this. It is not a question of evasion but a question of simple financial management by businesses which want to operate as profitably as they possibly can on the very narrow margin on which they are required to operate. That will not happen any more.

There must have been a fairly high level of transactions taking place in Adelaide, higher than will be the case in future, because of this duty. As soon as it was imposed in Victoria and New South Wales business responded, as it invariably does. It is like a snail being prodded; it draws in its horns and does not extend them again until it decides the way is safe and clear. Those things are intangibles and cannot be measured in a financial sense. They can be measured only by an astute politician who knows that every post has to be a winning post for South Australia. Every advantage that we can possibly present to companies and businesses both beyond our State and beyond our shores has to be presented. We have always, even to give ourselves an even break because of our location and population disadvantage, got to be better than the others, provide cheaper land, power and labour, and provide a cheaper form of financial transaction. However, by selecting .04 per cent as the level of tax to be imposed, the Premier at a single stroke has deprived South Australia of that advantage.

One could speak at length on this, and I have no doubt that my colleague will, and I certainly will at every opportunity. However, these questions must be asked: why the Government selected .04 per cent; what consultations or investigations were made before that selection was made; and what inquiries were made of the Governments in the Eastern States as to the effect of .03 per cent on business in those States? Indeed, why, in the light of every election promise—and I am not talking about the taxation promises that he made—that we will make South Australia attractive for investment, did the Premier take this step which demonstrably reduces our competitive advantage? The Premier has many questions to answer on this clause and the level of .04 per cent.

It would be interesting to contemplate the imposition on this Bill of a sunset clause. I realise that is futile and fanciful in terms of a taxation measure. I wonder whether the Premier is prepared to give a guarantee, such as his guarantees are worth, as to how long this duty will remain at .04 per cent. After all, Western Australia has gone to .05 per cent. I suppose he could think, 'in for a penny, in for a pound', or millions of dollars as the case may be, in terms of receipts. The take as estimated in the Budget is $16 million, and on this clause, more than any other, the Premier has many questions to answer. I would be grateful if he would outline to the Committee the consultations the Government undertook in determining .04 per cent as the level. Why did they not—

The Hon. J.C. Bannon: I have said this, why are you repeating the questions again and again?

The Hon. JENNIFER ADAMSON: Because they are such important questions. I recognise the rules about repetition, but at the same time the Premier should recognise that in debate points have to be made, remade and reiterated. I look forward to the Premier's answers.

The Hon. J.C. BANNON: I cannot understand the member. I have been sitting here impatiently waiting to answer. It was clear what the question was, but she has repeated it again and again. This is an extraordinary way to conduct a debate. I am happy to answer the question if I could get a look in, but it appears to me that the member then wanted to speak for 10 or 15 minutes come what may, and to do that she simply had to keep repeating again and again what the question was. Perhaps we are making a little bit of progress, because the Leader has appeared again.

This is a simple question. The matter was dealt with in the second reading explanation, where I pointed out that the new duty of .04 per cent had been determined taking into account some of the exemptions sought and the changes to stamp duties we were making, to achieve the sort of yield we wanted. In fact, that yield is estimated to be about $2 million less than the Budget figure of the appropriate time. There could have been a temptation to make it even higher, but certainly I resisted that. As to the question of whether we considered the impact of levying ours at .04 per cent when the Eastern States was .03 per cent, yes, that was

closely looked at. We found that after an initial flurry with the introduction of f.i.d. in New South Wales and Victoria any moves of transactions and financial institutions to Queensland virtually ceased because the institutions discovered, as the people of South Australia will discover, that such is the level of the tax that it is not worth while indulging in those sorts of avoidance procedures and moving interstate. That is the evidence. There was an initial flurry and a lot of alarmist talk along the lines put by the member, and this was about comparing from nil to .03 per cent, so it was a much more significant difference. In fact, in the event it has not proved to be of any major consequence.

As to South Australia's situation, it is only a .01 per cent difference. In many other areas we enjoy considerable cost advantage, for instance and most notably, although we get very little credit for it in pay-roll tax. Both those States have applied a special levy on a sunset basis initially (but it seems to be continuing *ad infinitum*) on pay-roll tax which is a significant cost accretion in those States. We do not have that. There are a number of other advantages, so I assure the honourable member that we looked closely at it and we do not believe that there will be any major problem, because the evidence simply does not support it. This is one of the beauties of it: because of the level of this impost, it is not worth going through the business of rerouting transactions or moving financial institutions. I believe that the fundamental advantages of South Australia and its burgeoning finance sector are such that this will cause no problem.

Remember that it also gives us the advantage of bringing back into South Australia certain financial activities that we have lost. The establishment of a bill market and a number of other things will occur in South Australia as a result of the introduction of f.i.d., so there are considerable benefits to be gained from it, to which I wish the member would direct her attention.

The Hon. JENNIFER ADAMSON: The Premier's last remarks were of great interest to me, and I would like him to amplify them. He spoke of the introduction of a bill market as being a side benefit of the introduction of this tax. I do not know whether this is the correct phrase: he said that there are considerable benefits. I do not want to get into the language of dumb speech, but it defies belief: it is a contradiction to say that there are benefits in a tax. The only benefit one could possibly attribute to a tax is that it provides revenue to enable a Government to fulfil certain functions, namely, the provision of services or perhaps capital works. To suggest that a tax brings with it benefits that enhance the financial operations of a State really stretches one's capacity (my capacity, at any rate) to believe what the Premier is trying to say.

He is saying very soothing words indeed. However, I would like him to spell out to the Committee the considerable benefits that he says will accrue to the financial sector as a result of this tax. He made the statement, and I will give him the opportunity: will he outline those benefits to the Committee?

The Hon. J.C. BANNON: I refer the honourable member not only to the remarks I made but also to the second reading explanation where I dealt with this.

Mr ASHENDEN: I would like to put to the Premier a situation that has been put to me. I referred earlier to a constituent who had contacted me in relation to the difficulty in the $5 million cut-off point and the monthly figure which I will be raising when we deal with clause 64. Unlike the Premier, my constituent, who is the senior manager of a financial institution in South Australia, considers that the effect of this Bill will severely hamper the development of financial facilities in South Australia. I noted with interest (and I will forward to my constituent) the Premier's comments, because I will be most interested to get my constituent's veiwpoint on those comments, as they are directly contradictory.

The point that he put to me is the one which I believe the member for Coles was trying to impress upon the Premier and that is that, even if what the Premier has said is correct, namely, that in some areas there may be an advantage (and I must admit that at this stage I cannot agree with the Premier on that point), surely the Premier can acknowledge that, on the other hand, some financial institutions will suffer because of the imposition of a duty in South Australia which is higher than that in New South Wales and Victoria. I think that the best way I can put this is the way that my constituent put it to me, because the greatest difference perhaps between two neighbouring States in relation to the rate of financial institutions duty is between New South Wales and Queensland. There is a financial institutions duty in New South Wales, but in Queensland there is not.

I believe that what has happened in those two States is indicative of what will happen in South Australia. I do not know whether my constituent's company operates in all States but certainly it operates on the eastern seaboard. His company is transferring much of its financial operation from Sydney to Brisbane because it will be able to take money in from other States, including New South Wales, place it in its accounts in Brisbane and not be forced to pay to the Queensland Government, or the New South Wales Government for that matter, the duty on those transactions which the New South Wales Government has imposed.

He has indicated to me that, not only is his company doing that but also there are many retired persons living close to the border of Queensland and New South Wales. Those living in Tweed Heads in New South Wales, for example, are transferring their own personal bank accounts from Tweed Heads across the border into Queensland because those retired people either receive pensions from the Federal Government or income from investments, as they call it, down south. By placing their bank accounts in Queensland, those pensioners and retired people are able to pay into their bank accounts all the money transferred to them with absolutely no duty payable, whereas, if they continued to use the bank at Tweed Heads, they would lose money each time the money from investments or pensions was paid into their accounts.

The Premier may say that he believes that the amount is so small that people will not go to this trouble. The advice I am given is that in New South Wales financial institutions and private people are transferring banking accounts from New South Wales into Queensland. Naturally, the Queensland Government, businesses and banks are delighted. I acknowledge that there the difference is between 3c in $100 and nothing, and it is a bigger difference than there is between 4c in $100 and 3c in $100, but it is still a 25 per cent difference. Today people find that money is hard to come by. The Premier may feel that it is only a few dollars: I can assure him that in my electorate only a few dollars means the difference between some people having a proper meal and having to go without a meal. If the Premier does not believe that, I invite him to come out there because there are people in my electorate who struggle desperately to survive, and one or two dollars to them is terribly important. Therefore, they feel—

The Hon. J.C. Bannon: A lot of them have probably had to resort to hire-purchase loans at rates above 17 per cent, and they will get immediate relief and, on balance, will be better off. I know that they do not believe it now, but that is a fact.

Mr ASHENDEN: I can take that point on board also. I refer the Premier to examples of people who do not have any such financial commitments and who are on very low incomes, so some people will be disadvantaged. I refer to

the Queensland example, where they were not in such desperate straits but still prepared to go to the trouble of transferring bank accounts because they could see that they would not lose money to what they regard as the rapacious action of a Government.

I am finding that the anger against the Government for introducing this duty is building up in South Australia. I believe it is building up to the point where even private individuals will be looking at possibly transferring not only their bank accounts but also themselves from South Australia to Queensland. Even more importantly, my constituent, who is operating in a financial institution with a turnover of almost $5 million a year, has put to me that it is his belief that companies will be looking to transfer some, if not all, of their financial transactions away from South Australia. He told me that his company in New South Wales is already transferring many of its accounts into Queensland because the money paid into accounts in Queensland does not have any f.i.d. levied on it. He has indicated to me, and I believe him, that his company in South Australia will now be transferring some of its financial operations so that income coming to it will be deposited in accounts elsewhere. I make the point that we are going to lose money out of this State to Queensland, which at the moment is about the only safe haven people have in which to place their money.

The Hon. J.C. Bannon: Would you say that about recent investment in the Gold Coast?

Mr ASHENDEN: I think people would prefer to invest in a non-socialist State than in a socialist State, the way Victoria, New South Wales and Western Australia are going. I hope the Premier is not treating my remarks flippantly, because my constituent is genuinely concerned and has indicated to me certain actions his company will take. He has also pointed out that, if the existing South Australian situation continues, his company will. I can remember the Premier's election statement that he was going to try to get at least one company to set up its financial headquarters in Adelaide and that he would try to make Adelaide a financial capital in Australia. My constituent has put to me that, in view of the Premier's action in introducing this f.i.d., which is 25 per cent higher than that in either Victoria or New South Wales (they are the States to which this State would be looking to attract investment) why on earth would companies want to move to South Australia when the duty is, as I have said, 25 per cent higher than it is in New South Wales or Victoria.

The CHAIRMAN: I again point out to the Committee that speeches such as that of the member for Todd have been repetitious, and that is covered by Standing Orders. The Chair has been lenient—

Mr ASHENDEN: I rise on a point of clarification, Mr Chairman. I believe that in raising a specific issue that was raised with me by a constituent in relation to the 4c per $100 f.i.d. I was giving new information to the Premier. That is why I was placing those examples before him. I believe that that was genuine new information.

The CHAIRMAN: The member for Todd is completely out of order. All the Chair is bringing to the attention of the Committee is that repetition is subject to Standing Orders. That has nothing to do with the right of a member to raise any matter that is relevant to a particular clause and to deal with that matter. All the Chair is pointing out is that repetition is out of order. The honourable Premier.

The Hon. J.C. BANNON: I suggest that the honourable member's constituent be put in touch with either me or one of my officers because clearly he has a point of view to which we would be interested to listen. I would suggest, from the way in which the views have been retailed by the honourable member, that there is not a full understanding of what has been happening or the impact of this particular duty. The fact is that, if bank transfers are made, they are dutiable. Money has to be transferred by way of a bank transfer because it is difficult physically to transfer money. If the company is operating between Tweed Heads and the other side of the Queensland border, it might be possible to do that, but that is a marginal effect. If a company is operating in Sydney it would be difficult to physically transfer money to Brisbane. That is the experience that has been gathered as this duty has settled down. I think the honourable member's constituent ought to be made aware of that fact.

The honourable member referred to people relocating to avoid this f.i.d. That is a most ludicrous suggestion when it is estimated that the average family will pay only 15c to 20c a week, which is about $7 to $10 a year. Even if a family is in the fat cat category, it would still pay about only $30 a year. Are they going to sell up their home, move their business or change their profession and move to Queensland to avoid that? The concept is quite ludicrous. I think the honourable member ought to start looking again at the level of the duty.

When I talk about benefits the other way, I sympathise with the honourable member's view, because I held the same view some time ago. When this matter was first raised and discussed publicly, I expressed the view that I felt that the disadvantages outweighed the advantages. I saw the advantages being very much the same as the honourable member is saying—that because we did not have such a duty we could attract transactions into South Australia and gain certain competitive benefits. However, the more we went into it we saw that the less that was true, and that is one reason why we eventually moved to introduce an f.i.d. I became convinced, and I have said this often enough, that the disadvantages of the f.i.d., on the contrary, would not outweigh the advantages.

In my second reading explanation I outlined some of the advantages. I have had an earlier question and answer discussion with the member for Coles on this point. Those advantages are really quite tangible and will show up. Members of the Australian Finance Conference who are supporting the f.i.d. have pointed out that in many cases recently they have not negotiated major loans in South Australia but have conducted their business in Victoria and New South Wales because of the f.i.d. operating in those States. That provides them with a solid incentive because of the much higher loan duty of 1.8 per cent to which they are subjected in those States which do not have an f.i.d., so there is an immediate impact there. They have not negotiated a major loan since Victoria and New South Wales instituted f.i.d. They will be back now that f.i.d. is here.

Similarly, I talked about the bill market and about freeing some home loan finance. There are advantages in having it, although like the honourable member I felt some time ago that we could establish an advantage by not having the duty. The evidence is all the other way, I think, and so it will prove if we can get this legislation implemented and understood.

Mr ASHENDEN: I thank the Premier for his answer and the way in which he delivered it. Perhaps had I received that help in some of my previous questions I might have been approaching some of my questions differently. I acknowledge the points the Premier has raised but at this stage I cannot accept them. The Premier indicated that if the company transferred funds to Queensland it would still incur the f.i.d. I know that, and so does my constituent. However, there is much movement of staff of that company between the States of Australia. He has told me that it is not unusual to have staff travelling daily between Sydney and Brisbane or between Melbourne and Adelaide, and so on.

Mr Mayes interjecting:

Mr ASHENDEN: The member for Unley can do what he likes. I am pointing out the exact truth. I resent what the member for Unley is implying.

The CHAIRMAN: Order! The Chair has already pointed out to the member for Unley that he is out of order. He is interjecting from out of his seat and the member for Todd should not refer to him.

Mr ASHENDEN: I accept that point. I have worked for a company which often had anything up to half a dozen people flying interstate. When I was the New South Wales and Queensland regional manager of a company it was not at all uncommon for me to go to Brisbane for the day or to have some of my staff going there for the day. We would have representatives and technical people flying between capitals frequently.

Mr Groom: It must have cost a lot of money.

Mr ASHENDEN: Certainly, it costs money but that is more efficient than having additional staff living in other places. Many companies have personnel moving between the States every day of the week. It is absolutely no trouble for them to take in their brief-cases (frequently locked to their wrists) the money which the Premier has said will have to be moved by bank order. Companies are doing this whether members want to believe that or not. My constituent has told me that that is what his company is doing, and I am aware of other companies doing the same. There are companies taking the trouble to transfer their funds physically into States where f.i.d. is either non-existent or lower than elsewhere.

The CHAIRMAN: I believe the Leader has consequential amendments.

Mr OLSEN: Yes. I move:

Page 19—
Line 1—Leave out '0.04' and insert '0.03'.
Line 3—Leave out '$400' and insert '$300'.

The purpose of this amendment is to remove the disadvantage for South Australia *vis-a-vis* the Eastern States. Further, because this involves a reduction in regard to a revenue raising method of the Government, it is tantamount to a vote of no confidence by the Opposition in this measure. In my second reading speech I referred to the fact that the Government simply does not have a mandate to proceed with the measure before the House. Not only that, it has brought in legislation that has not been properly thought through and on which the Government has not done its homework. This was evidenced in the response we received to specific legitimate questions from the Opposition during the Committee stage. The Premier said that the Opposition has been filibustering. I point out to the Premier that this is the first major piece of legislation on tax to come before this Parliament for something like 10 years. We are entitled to establish the extent and implications of it. That is certainly what we have attempted to do. The fact is that it is a piece of legislation with numerous faults. The Government has been obliged to introduce its own amendments as well as accept a number of amendments proposed by the Opposition even though it has rejected some of our amendments.

A moment ago in reply to the member for Todd the Premier referred to the fact that as a result of the reduction of the 1.8 per cent duty as it applies, loan borrowings interstate would now flood back into South Australia, that there had not been any major loans since f.i.d. was introduced in Victoria and New South Wales. If the Premier is really dinkum about that, I suggest that he establish a rate of duty in South Australia the same as that which applies in New South Wales and Victoria. South Australia will not be flooded with applications for loan borrowings if we have a higher rate applicable than that which applies in Victoria and New South Wales. It is utter nonsense for the Premier to suggest that because we are taking off 1.8 per cent all those loans that went to the other States because of a cheaper f.i.d. will come back here even though we will have a higher f.i.d. rate. That argument is absolute nonsense, as the Premier well knows.

The Hon. Michael Wilson: The Premier supported that with his own argument.

Mr OLSEN: Of course he did. The position is that over the past 24 hours we have consistently sought to report progress although the Government has used its numbers to reject our motions to report progress. We sought to report progress because the legislation is faulty. The Premier is asking us to process a piece of faulty legislation on the basis that he will have a further look at it later and perhaps fix it up elsewhere. We have no guarantee that it will be fixed up elsewhere. That approach is simply not good enough and represents an abnegation of a member of Parliament's responsibility.

Neither I nor the Liberal Party will resile from our responsibility on that matter. We need not have had that late sitting last night, because the matter was squarely in the Government's court. Because the legislation is faulty, we are proposing a series of amendments and the Government is also proposing amendments. Clearly, the Premier has not been fully briefed on the implications of this legislation. I refer to a question I asked earlier relating to land brokers and the application of f.i.d. in a specific set of circumstances. The Premier sought advice and came back and said, 'Not normally.' When is a tax not a tax? What does that statement really mean? Will the tax be applied or will it not be applied?

The CHAIRMAN: Order! The Leader is straying way beyond the amendment before the Chair. Throughout the Committee stage the Chair has tried to be fair, but I point out again that the Committee must stick to the amendment before the Chair. I ask the Leader to come back to the amendment.

Mr OLSEN: Thank you, Mr Chairman. I might add that during the course of this debate you have been very tolerant and understanding. I am not patronising the Chair but am simply saying that I think you have done an extraordinarily good job. I contend that my comments are applicable to the amendment before the Committee because I was referring to the rate of duty being either .04 per cent or .03 per cent.

The Hon. B.C. Eastick: It represents no confidence in the Government.

Mr OLSEN: It is tantamount to a vote of no confidence in seeking to reduce the rate applicable in a revenue raising measure.

The Hon. B.C. Eastick: You were referring to the Premier doing a Claytons.

Mr OLSEN: Yes, we have had a lot of those over the past day or two.

The CHAIRMAN: Order! We are now indeed straying from the amendment.

Mrs Appleby interjecting:

Mr OLSEN: The member for Brighton might return to her seat if she wants to interject and then I might take notice and respond. It would be quite wrong for me to take any notice while she is out of her seat.

The CHAIRMAN: Order!

Mr OLSEN: The Opposition objects to the 33⅓ per cent impost in South Australia. When the Premier was Leader of the Opposition he consistently drew to the attention of this House and the public South Australia's disadvantageous position *vis-a-vis* Victoria and New South Wales in regard to pay-roll tax. He consistently brought that matter to the attention of the House and said that for the sake of job opportunities in South Australia we had to have taxing measures such as pay-roll tax on an equitable basis so that South Australia was not placed at a disadvantage compared with our interstate counterparts.

I agree with that sentiment and support it. It is inconsistent for the Premier, having enunciated that for some three years, to bring in a measure that does the opposite to that which he has consistently proposed. For that reason, in taking the Premier's line over the past three years, we seek to have the rate of duty reduced to .03, as South Australia will be significantly disadvantaged as a result of the higher rate of duty.

No doubt those companies with financial offices in South Australia and Victoria will recycle business through the financial office of Victoria rather than Adelaide wherever it is practicable for them to do so because of the increased rates. That surely is not to South Australia's advantage. This measure will act as a deterrent to financial activity in the State, and this amendment merely seeks to remove that disadvantage. The rate of .04 is one of the basic principles of this legislation with which we disagree. The State ought not to be applying a rate of tax on householders 33⅓ per cent greater than in Melbourne and Sydney, and we seek to remove that disincentive and disadvantage for South Australians.

The Hon. J.C. BANNON: The members for Coles and Todd have raised questions on this area, and I have covered everything of relevance. I believed originally that there were certain specific advantages in South Australia's not having a tax, while the Eastern States did. However, the more we looked into it and analysed the situation, the more it became clear that, whilst there are disadvantages, the advantages outweigh the disadvantages quite considerably. That is one of the reasons why we moved to introduce f.i.d.

Mr OLSEN: I am not arguing the point of removing the 1.8 per cent, which is the disadvantage. However, the Leader is replacing it with a rate of tax higher than Victoria and New South Wales. He is talking of a significant disadvantage for loans being raised in South Australia. I acknowledge and agree with that, but it is inconsistent to say that, because we have a rate of .04 per cent (which is 33⅓ per cent greater than Victoria and New South Wales) that loan raising will come back to South Australia. It will not come back but will stay in Melbourne and Sydney where they can get it at a lower rate than in Adelaide. If 1.8 has been the disincentive, so will .04 per cent versus the .03 per cent rating.

The Hon. D.C. WOTTON: I strongly support the Leader's amendment. Many members referred to the disadvantages to South Australia as a result of the 33⅓ per cent increase over our Eastern States counterparts. More than three months ago our Leader predicted that the f.i.d. rate for this State would be .04 per cent, but the Premier continued to fudge his way through this situation. To look at the background of this legislation, we recognise that the introduction of this new revenue-raising measure was announced by the Treasurer in a Ministerial Statement on 4 August 1983. At that time the level of duty had not been determined, but was revealed in the Budget papers tabled on 1 September. It showed that a net amount of $8 million, excluding existing stamp duty to be abolished, was estimated to be raised during 1983-84 with $16 million being raised in a full year.

We then saw a draft Bill that had been circulated amongst a limited number of members of the financial community in early September. Again, the rate of duty had still not been determined and that situation continued. It was only when the final draft was introduced on 27 October that the relevant details were made public, and we realised, as the Leader had predicted, that the rate for this State would be .04 per cent. So, we continue to repeat our concern about the uncertainty being brought into the business community as well as into charities and others affected.

It was obvious that the Premier was holding back hoping that the Eastern States would increase their rate of duty. That would have suited him nicely. However, that was not to be the case, and we now find the Premier in this embarrassing situation where this State is boasting a higher duty than our Eastern States counterparts. I refer to the necessity for providing incentive to industry and development generally to come to South Australia rather than the present situation, which is quite the contrary.

This is yet another disincentive in regard to bringing industry and development back to South Australia. So much for the Premier's claim of wanting South Australia to win—a phrase we heard so often prior to the last election. The Government is greedy for revenue as a result of its financial mismanagement, with Ministers who are unable to control their departments' expenditures. We see headlines tonight in the *News* such as, 'New tax to lift prices and to hit jobs.' I suggest that that is exactly what we do not want to see in South Australia when we are trying to encourage development in this State. Let us look at what the editorial in tonight's *News* has to say:

> It was not thought through properly—

of course, that is referring to the legislation we are debating—

> For the Government to have to introduce four pages of amendments after the Bill was introduced was proof enough of that.

The editorial continues:

> The confusion may not be the Premier's fault. His advisers may have let him down. But Mr Bannon has to carry the can.
>
> The second anxiety is the differential in the rate of proposed f.i.d. here and that in New South Wales and Victoria.
>
> At one cent in $100, it is minimal. But it is important in the selling of South Australia, in the arguments used to woo new investment for this State.
>
> Mr Bannon, as Premier and Treasurer, would do himself, his Government and his State a favour by having a breathing space to consider these factors.

Is not that what we have been asking the Premier today during the extended period of the debate on this Bill. I support the amendment introduced by my Leader strongly indeed on behalf of the people of South Australia, because it is quite obvious, from the phone calls and comments that have been made since, that people have started to realise what this duty is all about.

Another interesting point that we read about in the *News* this evening is that few people when questioned about the duty knew anything about it. They did not even know that it was to be introduced, and that constituted a large percentage of people interviewed about this matter. Now they do know they are certainly expressing this concern, and business is certainly expressing its concern.

Mr INGERSON: I support the Leader's amendment. We have a new tax introduced that is about 25 per cent higher than that in other States. But, if one likes to go the other way, one could also say it is a 33⅓ per cent increase. People in business, particularly the retail trade, depending on which end you mark it up from or take it off from, get two different answers, as the member for Brighton well knows.

I am concerned about the fact that any increase in tax at a rate over and above that in any other State reduces the competitiveness that manufacturers or anyone in this State has by comparison with other States. At present we have many small subcontractors, particularly in engineering, who complain that they are uncompetitive. Companies are having problems being competitive, and this is an extra cost. It is not a fair tax: it is an extra cost over and above competitors in other States.

Many subcontractors in South Australia are concerned about competing, particularly with Victorians and New South Welshmen, in major contractual areas in this State, particularly in contracts with Santos and major developments where costs are high. Here is another instance where this State Government is deliberately increasing its costs over and above other States.

I am also concerned that it has been suggested that $16 million to $18 million of total tax collected is to be recouped from the business sector, which will be burdened with this massive increase in taxation, but the consumer pays in the end as all taxes placed upon business today are passed on. Here we have $16 million to $18 million costs being passed on to the economy at this time.

If this tax was reduced to .03 per cent, as we suggest, that would remove some $4 million to $5 million, or leave some $4 million to $4.5 million in the economy, which is where it should be, so that money can go around and produce more jobs. The other area is incentive for South Australian companies to develop. Here we are trying hopefully to sell South Australia, to win. We now have another instance of an extra cost or increased burden over and above competitors in other States.

I again refer to the local press, which refers to increases in prices and concern for jobs. If one takes an extra $4 million to $4.5 million out of this State's economy, it will mean fewer jobs and we should be very concerned about that. I support the amendment.

The Hon. JENNIFER ADAMSON: I, too, support the Leader's amendment. I emphasise that my reasons relate to the strong belief of the Opposition that South Australia must retain its competitive advantage or, where possible, improve its competitive advantage if it is to gain the prosperity that we all want to see. No Government in South Australia can afford to ignore history. This State's history is bound up with the way successive Governments have responded to the inbuilt inherent disadvantages that we have *vis-a-vis* the other States.

These disadvantages relate, first, to geography, to what has often been called the driest State in the driest continent in the world. Our low rainfall is probably one of our most basic disadvantages as we have a strong dependence on the Murray River. Other disadvantages are distance from interstate markets, our narrow industrial base, our lack of direct overseas shipping links, and our rates of taxation, which under the Dunstan Government rose to a high level.

That was one of the issues that resulted in the election of the Tonkin Liberal Government. It was a question of State taxation and its impact on the competitive nature of South Australia when trying to attract investment and employment. As against those disadvantages, successive Governments in South Australia, and the community in general, have worked to obtain advantages. As the Premier mentioned, our level of pay-roll tax is one of our advantages, as is our harmonious industrial record. That is not only a credit to Governments of all persuasions, but is probably related in some way to our settlement origins.

People came here not in a state of disputation but because they wanted to work together for the good of the State. Low-cost housing is an advantage, and relatively low labour costs are another, although that advantage has been eroded increasingly by workers compensation costs. We also can offer cheap industrial land, and relatively cheap agricultural land.

Any South Australian Government has to weigh up more carefully than Governments in other States, with their better natural advantages, those advantages and disadvantages and try to offset the disadvantages by making us more competitive with other States. Taxation is a key means open to a Government to achieve success.

One of the key reasons that South Australians elected a Liberal Government in 1979 was because they wanted to achieve a State something comparable to Queensland where low taxation resulted in high levels of investment that generated employment and in turn generated prosperity and considerable benefits to the community. No matter which way the Premier tries to wrap it up or talks about the benefit, the reality is that a tax of any kind is a burden on the community: that is the simple inescapable fact, it is a burden. When the tax is levied not only in South Australia but also in other States that burden may be equalised somewhat and the competitive impact of it diminished. However, when South Australia levies a tax at a higher rate than that in other States it puts itself behind the eight ball. The Opposition does not want to see that happen.

We worked hard enough between 1979 and 1982 to whittle away those disadvantages, and went through the trauma, and it was a trauma, of reducing State taxation and at the same time containing State expenditure. Now we see the whole process being reversed: expenditure being increased and taxation being increased, and we resist that with every fibre of our being. This has been a long and trying debate and certainly it must have been trying for you, Mr Chairman: it has been trying for all of us. We have not enjoyed it, but the fact is that we are duty bound to resist the Government's attempts to impose a tax that will impose burdens. An amount of $250 000 will be taken from the travel industry pocket of South Australia and put into the pocket of the Treasury. That one single industry, which the Government says it is trying to promote and develop, will be the poorer by $250 000 because of this tax.

Many more examples could be cited, but I refer particularly to that one. We know we cannot defeat the legislation. Indeed, it is abundantly clear we cannot pass the amendment, but the least we can do is to put forward the logical and persuasive argument, which the Government should accept, to reduce the impact of this taxation to an absolute minimum, and make it at least consistent with levels that apply in the Eastern States.

The Hon. B.C. EASTICK: I support the amendment. Given the opportunity, I would have supported a deletion of a rate at all so that there could be a complete defeat of the issue, because that is the philosophy of the Party on this side as opposed to the Party opposite. It would have been inconsistent to have taken the action, after the passage of the Premier's Budget earlier this session, to deny him part of the funds that the passage of that Budget permitted him. Members have indicated that the Government has ways of trimming its taxation measures by being more responsible in its spending. The Leader of the Opposition has spelt out ways whereby the people of this State could have been saved tremendous expenditure.

The public have shown in a positive way that they are worried about the implications of this measure. It would be repetitive to go into all the details given in the debate over the past several hours. The Premier and the members who sit with him have been warned of what the public view is, because it is coming through to members from financial organisations, pensioners, charity and sporting groups, and by other persons who are concerned.

This is but another means of getting at the people. I support the measure before the Committee to reduce the amount by 25 per cent, and thereby bring it in line with New South Wales and Victoria. The New South Wales and Victoria measures are not coming together as well as those Governments would have liked. Members of the Opposition have shown the Government that there are grave doubts that it will come together in South Australia in any sensible or proper manner. The Opposition seeks to defeat the Government on this censure of no-confidence motion by the reduction of the rate in the dollar. Assuming that we will not succeed, and that is being realistic, I suggest the Premier becomes realistic and seeks immediately after this amendment has been decided to call off this economic foolishness. It is a measure that members of the Opposition would not want their name attached to, and it will not be long before

the Government will realise that. I ask all members on both sides of the Committee to support the amendment.

The Hon. MICHAEL WILSON: I support the amendment. This is one of three major amendments the Opposition is putting to this Bill, and shows the basic philosophical difference between the Party on this side of the House and the Government. I want to confine my remarks to the *ad valorem* rate of .03 per cent, which is the subject of this amendment, and the rate of .04 per cent, which is the figure contained in the legislation. I want to pose to the Committee a question as to why the Government chose the rate of .04 per cent. When one looks at the Premier's second reading explanation, one gets a glimmer, because on page 1419 the Premier said:

Even at this rate—

that is the .04 per cent—

it is anticipated that the revenue to be raised in a full year will be only $22 million, giving a net benefit to the Budget of $14 million instead of the $16 million mentioned in the Budget speech.

In other words, the Premier is saying that the sole purpose of this higher rate is to make up for the economic mismanagement of his own Government. It is obviously a financial measure, a tax raising measure, and a measure to bring funds into the general revenue of this State. However, in relation to .03 per cent and .04 per cent, why did he choose the latter? He must have considered having the same rate as that applying in the Eastern States. In fact, it would be a dereliction of duty if he had not because of the reasons already espoused by my Leader relating to South Australia's competitive advantage. The Premier might have said to his advisers, 'Well, it is .03 per cent in Melbourne, Victoria; it will be .05 per cent in Western Australia. Let us split the difference.' Is that why we reach this very important figure, which is 33⅓ per cent higher than that applying in the Eastern States? It may well be that that is the reason. If the Premier disagrees with that, he can tell us. Or is it that he simply wishes to maximise the revenue coming from this measure and, in so doing, disadvantages this State? The Leader pointed that out once again, on the question of the Australian Finance Conference, loan raising and the fact that it is not occurring in South Australia.

By applying the higher rate in this State, *vis-a-vis* the Eastern States, I suggest very strongly that that will continue to be so. If indeed the Premier had a full study by his officers and it was decided to apply a rate of .04 per cent for very sound technical reasons, let him tell us that when he replies in a moment, if indeed he does reply, because that is certainly not contained in the second reading explanation. If one takes the reason given in the second reading explanation, it is merely to maximise financial revenue, and I submit that the reason that it is .04 per cent rather than .03 per cent is that the Premier was not able to contain overspending in Government departments and the financial mismanagement that we saw amply demonstrated with the last State Budget.

Mr LEWIS: I would like to know who did the econometric analysis to determine the effect of setting the level of the fee on confidence of business based in South Australia to continue to base itself here and conduct its business here. Quite clearly, the psychological impact of that level, *vis-a-vis* other States, as well as the subjective appraisal of it by separate managers of different businesses, would determine whether or not funds went, if one likes, out of our borders to somewhere else, such as Queensland (which quite obviously will be a haven). Can the Premier tell me who did that econometric analysis, when they did it, why, what were the parameter movements about what they regarded as the best guess, and whether they were steep or fairly level?

The Committee divided on the amendment:

Ayes (17)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Rodda, and Wilson.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Gregory, Groom, Hamilton, Hemmings, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison, Becker, Goldsworthy, and Wotton. Noes—Messrs Ferguson, Hopgood, Klunder, and Slater.

Majority of 2 for the Noes.

Amendment thus negatived; clause as amended passed.

Clause 30 passed.

Clause 31—'Special bank accounts of non-bank financial institutions.'

The Hon. J.C. BANNON: I move:

Page 19, lines 36 to 39—Leave out paragraphs *(a)* and *(b)* and insert new paragraph as follows:

(a) is an amount that constitutes a dutiable receipt by the pastoral finance company;.

In a submission communicated to officers by pastoral finance companies it became apparent that clause 31 (5) possibly does not allow the banking in exempt accounts of all the receipts of the pastoral finance companies which may be dutiable in its own hands. For example, a receipt by a pastoral finance company in relation to the supply of services may be dutiable, but it is not included in subclause (5). It is acknowledged that there is some merit in this submission because the principal receipt in the exempt account is the receipt banked which is dutiable in the hands of the registered financial institutions in whose names exempt accounts are kept. The proposed amendment implements this submission. It enhances the operation of the legislation in relation to pastoral finance companies. I think this is another example of the way in which the Government is prepared to listen to submissions put to it. I commend the amendment to the House.

Mr OLSEN: Quite obviously, having initiated and first publicly put on the record this suggestion, we are delighted that the Government is correcting the anomaly.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 20, after line 18—Insert new subclause as follows:

(7a) An amount shall not be paid to the credit of a special account kept by a bank in the name of a cash delivery company unless that amount was received by the company in the course, or for the purposes, of its business and does not include any fee, commission or other consideration to which the company is or may become entitled in its own right.

This is consequential on my accepting the earlier amendment to the definitions made by the Leader of the Opposition. As I foreshadowed then, by accepting those amendments of definition consequential amendments would have to be made.

The decision to allow cash delivery companies to have exempt banks under this Act means that they have to be granted exempt accounts because that is the system that we have set up. The Government's proposal is that they apply under clause 31 for a special account. If they are allowed to have exempt banking it is appropriate that the exemption be restricted to receipts by the company in the course of carrying out its business as a cash delivery company in order to prevent abuse of the privilege being given to it. I do not think there would be any argument about that because we are addressing ourselves to the operation of a cash delivery company. The clause implements this approach. It is noted that a similar position is proposed by the Opposition

in relation to clause 34. I do not think there is any difference in the workings of this.

Mr OLSEN: Quite obviously, as it relates to clause 31 (7) *(a)*, the Opposition will support the amendment, recognising that clause 34 relates to charities and a whole range of other things. We will still want to argue that when we reach clause 34, but that does not mean that we will not accept the position the Government has now reached on this measure. I think the point ought to be made that the Premier has attempted publicly to criticise us for obstruction. What we see here now is a result of the Opposition's doing its homework over the past week and being astute and persevering. We now have a co-operative approach by the Government and the Opposition to amend this legislation.

The Hon. J.C. Bannon: You should have been doing it 12 hours ago.

Mr OLSEN: I am sure that once the Premier realises what he has said he will wish he had not made that interjection. As a result of that co-operation we have better legislation. Had the Premier been less patronising in Committee we might have got on to it a little earlier. At least we are now removing the impost of $700 000 on those agencies to which I referred in great detail in my second reading speech and certainly earlier in the debate as we went through the interpretation section.

This is an important amendment which will take the impost off those companies which would inevitably have passed it on to the PAYE workers in this State in one form or another. Certainly, the Opposition supports this amendment, which was precipitated by the Opposition.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 20, after line 26—Insert new paragraph as follows:
(ab) there has been a contravention of subsection (7a) by reason of the payment of an amount to the credit of a special account kept in the name of a cash delivery company;.

The insertion of this new paragraph provides for exemption if the exempt account is improperly used. It allows it to be cancelled. Again, this is consistent with the approach adopted in the Bill generally and of course the proposed section 34 the Opposition seeks to incorporate.

Mr OLSEN: For the reasons I have just enunciated, the Opposition supports the amendment.

Amendment carried.

Mr OLSEN: I move:

Page 21, line 1—Leave out 'incorporated'.

This is a technical amendment to the Bill to bring the Bill into an appropriate form.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 21, after line 1—Insert new paragraph as follows:
(fa) a cash delivery company;

This is simply consequential on the other amendments concerning cash delivery companies.

Amendment carried; clause as amended passed.

Clause 32 passed.

Clause 33—'Sweeping accounts.'

The Hon. JENNIFER ADAMSON: I referred to this clause when seeking information about sweeping accounts under the clause dealing with definitions. This is an important exemption clause. These provisions will affect some ordinary businesses, and in referring to this clause I am reminded of the remarks of the member for Flinders when he spoke about the difficulties of primary producers who for good housekeeping reasons, as one might describe them, wish to establish a number of accounts or sub accounts in order to identify separately for accounting purposes the various production aspects of their farms. The member for Flinders mentioned a grain account, a pig account, or a poultry account, and so on.

In my second reading speech I referred to the sundry accounts that a travel agent or a tourist operator might hold. It seems to me that this clause might be a way in which those small companies or organisations could maintain a separation of accounts which they have decided to have for what I describe as programme and performance budgeting reasons, while at the same time not being subject to financial institutions duty. I would be grateful if the Premier would advise the Committee whether my understanding of this clause is correct and if he could give the Committee a few simple examples to which the ordinary family business person can relate, whether he or she is a farmer or a small business man, and indicate the kind of person or company who will be eligible under the provisions of this clause to be designated as having a sweeping account, which links with clause 37 in regard to exempt accounts.

The Hon. J.C. BANNON: I am not sure that I can usefully comment except to explain again the way in which the clause will operate. This provision has been included at the request of the banks to reduce the likelihood of double duty arising from these so-called sweeping funds. These funds are used to identify the cash position at the end of the day and we believe that this provision will ensure that, in that situation, there is not a liability for double duty.

The Hon. JENNIFER ADAMSON: I suppose that explains the matter in lay terms, but I would like to know whether, for example, a farm set up as I described it would qualify for a sweeping account. The way that the Premier described it tended to make me think of a department store wanting to identify the income of a section, although, of course, it would not do that when depositing funds in a bank because it could be done through its own accounting system. I ask for simple examples which ordinary men and women in the street can understand. I am sure that the Premier could give them to me if he asks his advisers for some examples. It is not sufficient to simply say that the banks have recommended this provision to cater for people who want to identify at the end of the day the various categories of receipt. Will the Premier please elaborate further with practical examples?

Clause passed.

Clause 34—'Trust fund account.'

The CHAIRMAN: I point out to the Leader that clause 34 will have to be defeated before he can move to insert a new clause 34.

Mr OLSEN: New clause 34 includes provision for the eligibility of special accounts held by a number of additional persons, encompassing trust accounts of legal practitioners, land agents and land brokers, and others who under a prescribed statutory obligation are required to pay money to the credit of a trust account, including charitable and sporting organisations. I intended to include in that cash delivery companies, but the problem associated with that matter has been addressed and overcome.

Non-profitable charitable and sporting organisations within the community will be placed under a considerable burden due to this measure. The Opposition considers that in that regard this is a most obnoxious and intolerable piece of legislation which we will seek to oppose at every step. It clearly discriminates against charitable organisations in South Australia *vis-a-vis* New South Wales and Victoria. For example, in New South Wales charitable organisations on application to bank managers can obtain exemptions from payments of financial institutions duty. In Victoria exempt account status on specific accounts is given by the Government on application. I understand that there are about 100 000 such accounts in Victoria.

It has been suggested by the Government that everybody in South Australia be levied up to $20 but receive a rebate in excess of $20. Some of the groups that have written to me have put in fairly concise terms the problems they have identified as a result of this legislation. I am pleased that the Premier has arranged to see the Uniting Church tomorrow to iron out that problem, although it is a pity that he did not see them last week.

The Hon. B.C. Eastick: He saw the members for Elizabeth and Salisbury on a number of occasions, did he not?

Mr OLSEN: Yes, I am assured that the members for Elizabeth and Salisbury sought to play some part in amendments to the Government—

The CHAIRMAN: Order! The Chair does not intend to allow the Leader to embark on something outside the clauses.

Mr OLSEN: I was seeking to point up the consultation process on which the Premier has placed great emphasis in regard to when the companies were brought in to look at the contents of the Bill. That process fell foul in a number of areas as many groups were not involved. Certainly the members for Elizabeth and Salisbury and the Transport Workers Union were involved after those companies said that, if the tax was applied, they would have to reduce their work force.

The Hon. Jennifer Adamson interjecting:

Mr OLSEN: Yes, it requires a little pressure to get amendments in the first place.

The Hon. B.C. Eastick: It was not South Terrace?

Mr OLSEN: The union movement is heavily involved in it. The consultation process should have taken place much earlier. In the past 36 hours we have had the Government trying to fix up a number of problems and holes which the Opposition has highlighted. Armaguard was one problem, and we have got through that. We have a problem with charitable organisations and now the Premier is having discussions tomorrow after the matter has been dealt with in this place. We are making decisions without the benefit of knowing the result of discussions the Premier will have with such organisations. We have stated advice we have received from a number of groups, one of which is the Uniting Church. It has stated that the impost it sees with this measure being introduced will be about $40 000. No-one would deny that the Uniting Church undertakes valuable charitable work for the needy, unemployed, handicapped, and those for whom we should have some compassion. This legislation seeks to put a tax on charitable organisations.

The Hon. B.C. Eastick: Kuitpo Colony and the Central Mission.

Mr OLSEN: Indeed. That is the objectionable and repugnant basis for the clause. That is why the Opposition seeks to defeat the provision in order to move amendments which would encompass various provisions which I wish to explain.

The CHAIRMAN: Order! The Chair will allow the Leader to canvass his amendment but will not allow him to move it.

Mr OLSEN: It is important to clearly indicate to the Committee the objective of our amendment so that when voting on the current measure we know that we will be seeking to replace it with the following:

(a) a dealer in securities is eligible to have an account kept in his name that is a dealer's trust account for the purposes of the Securities Industry (South Australia) Code approved as a special account;

That is an account exempt from the financial institutions duty. The same criteria applies to the cash delivery companies: money going through accounts with no add-on value or profit made by those companies whatsoever. As it relates to legal practitioners' trust accounts the Liberal Party does not believe that a tax ought to be applied.

Mr Groom: It comes to $200 on $500 000.

The CHAIRMAN: Order! The Chair will not allow members to have little conversations and will not allow the member for Hartley to have a conversation out of his seat.

Members interjecting:

The CHAIRMAN: Order!

Mr OLSEN: Paragraph *(b)* will provide:

(b) a person who is under a prescribed statutory obligation to pay money to the credit of a trust account kept in his name is eligible to have that trust account approved as a special account;

I believe that that paragraph is self-explanatory. Paragraph *(c)* would provide:

(c) a legal practitioner is eligible to have a trust account kept in his name under Part III of the Legal Practitioners Act, 1981, approved as a special account;

I want to recap to the Committee the example that was brought forward on the amount of tax applied to this area, in order to put the matter into perspective. In the case of land brokers, the financial institutions duty will be levied at three stages. I am referring to people selling a family home. First, the tax will be levied when a buyer's funds are paid into the broker's trust account; secondly, when the funds are transferred to the selling broker's trust account (.04 per cent twice); and, thirdly, when the selling broker pays the vendor, which is .04 per cent three times. In effect, it means that the tax is not .04 per cent but .12 per cent, as it is levied three times as the money circulates through the system. With a property sold for $60 000, the State Government now receives stamp duties on a memorandum of transfer to the extent of $1 700. How much more does the State Government want from someone selling their family home?

Mr Groom: It is $24.

Mr OLSEN: It is $72—the honourable member should do his arithmetic.

The CHAIRMAN: Order! The Leader is provoking the member for Hartley, who is out of his seat.

Mr OLSEN: I realise that I should not do that, but he is wrong. A tax of .04 per cent three times is $72 impost on a person selling a home. If we can get clause 34 deleted we will make room for new clause 34 to be introduced, which will remove that impost. Enough is enough and that is the basis for the Opposition's amendment. We can now move on to charitable and non-profit organisations. We seek to have their accounts designated as special accounts.

For such bodies as the Catholic Church, on Father McLennan's figures the base cost involving the number of accounts it has through its network in this State (and the Catholic Church has a very significant branch account network throughout the State; for specific fund-raising activities in a specific area it opens a new account which is kept in a concise and readily accountable form) would be between $20 000 and $30 000 on the basis of a cost of up to $20 per account through that network.

It is further estimated that, for transactions above $50 000 on those accounts, more than the $20 prescribed fee per account will be paid (and the legislation clearly specifies 'an account'). The Catholic Church will have tied up for the financial year an estimated $24 000. The Government would have $24 000, interest free, of the Catholic Church's money which should be out there in the community doing good, charitable work. The Opposition does not believe that that position should prevail, and that is why we seek to amend the legislation, to exempt accounts such as that from payment of that fee.

A number of other bodies will be affected. Telethon will be caught in this net. It will have to pay financial institutions duty, as will the Channel 10 Christmas Appeal. I think that that appeal would have to pay about $180, which is a sizeable donation to that appeal. Then there is the Miss Australia Quest. One or two members opposite may say

that $180 is chicken feed, but I assure them that those instrumentalities that work hard to raise that money do not think that it is chicken feed. The Central Methodist Mission estimates a cost to it of $6 000. It is very rare that it would get benefactors annually to the extent of $6 000.

Mr Mathwin: That would be 150 meals for Meals on Wheels.

The CHAIRMAN: Order! I ask the honourable member not to interrupt.

Mr OLSEN: I did not really want to equate it with how many meals it would buy, but I do want to identify that tax as impinging on groups in the community who are dedicated and working on a voluntary basis to raise money for other people's wellbeing. I do not believe that the Government has any moral right to have its fingers in the till in that area.

Let us take the Catholic Church, the Uniting Church and those groups that have an education arm to the private school system. Funds come from Canberra to those bodies, on which they will have to pay f.i.d. That is where church schools such as those in the Roman Catholic and Anglican Church network will be placed at a significant disadvantage because those funds will be liable for financial institutions duty. Funds for education of our children will be taxed.

The Hon. Michael Wilson: And funds from the State.

Mr OLSEN: As the member for Torrens and shadow Minister of Education rightly points out, that tax base will apply to State moneys going into that area, too. We do not believe that the Government has the right to tax those areas. I believe that this is the most repugnant feature of this Bill.

The Premier said that it was the Leader's political rhetoric that was heard when this matter was raised on Tuesday last. If we did not raise it on behalf of those groups, who would? If we did not, it would have slipped through this Parliament and through the hands of this greedy Treasurer. This State would have been taking money from charitable bodies, church bodies, and non-profit organisations in this State. That is simply not good enough. I make no apology to the Premier or anyone else for that fact, after having contacted various groups and seeking advice from them and after they had sought advice from their accountants and legal advisers.

It seems to me to be totally inappropriate for us to be debating this measure today when the Premier has made arrangements to see the Uniting Church tomorrow. It is putting the cart before the horse. Is that the aspect of the legislation which the Premier acknowledges is faulty? One would almost expect to hear him say, 'Let it go through this House and perhaps I will fix it up later, but there is no guarantee I will.' The Premier has not kept many of his promises to date, particularly those he has made to the electors of South Australia. His word is not held in very high esteem, yet he expects us to take his word that he will have some discussions and hope to resolve, in his words 'the problems that exist with the legislation'.

I will not ask that progress be reported again, because we have repeatedly tried to bring that point home to the Government, and been rejected by the Government using its numbers to stonewall us. This legislation should be at a standstill whilst discussions take place tomorrow morning with the Uniting Church (which is excellent), and the Bill should not go through before those discussions. It makes the discussion all but irrelevant, once the legislation has been through the House.

I will not move that procedural motion again because I know what the result will be: the Government will use its numbers to defeat it. It wants legislation by exhaustion, and it will steamrolll this measure through. Because of the holes in the legislation it has been a politically embarrassing week for the Government. There is no doubt about that. If it does not do its homework, and does not understand the implications of the legislation, let it be on the Government's shoulders. The Premier said earlier that the community does not understand the legislation.

Mr Groom interjecting:

Mr OLSEN: It is not a misunderstanding on the part of the church, because the church clearly understands that it is not paying a base $20 per account.

Mr Groom: To take $24 000 they must have an account of $60 million.

Mr OLSEN: Do a bit of homework.

The SPEAKER: Order! I will not call the member for Hartley to order again for interjecting out of his chair.

Mr OLSEN: In deference to your ruling, Sir, I will try not to respond to the interjections of the member for Hartley any more. These bodies have quite significant taxes placed upon them, and the amount of working capital removed from them is, we believe, totally inappropriate.

In addition, new clause 34 *(g)*, which is part of the proposal for the replacement of clause 34, brings into the ambit sporting organisations, those people who provide community, recreational and sport facilities, the majority of whom rely very heavily on voluntary support work to undertake their activities to generate the profits to build their facilities. Again, the same principle applies. It is wrong for Governments to tax that group in the community. When there are tight economic times for Government we should tap that incentive in the community, the volunteer aspect, help people to raise funds to build their own facilities, and remove the burden from the Government. This measure will, in effect, apply a disincentive to those groups. New clause 34 amendments listed relating to cash delivery to a company are now irrelevant, and I will not speak to them. New clause 34 (4) provides:

(4) Where a certificate under this section is produced to the registered financial institution at which the account is kept, the financial institution shall designate the account to which the certificate relates as a special account for the purposes of this Act.

The responsibility to determine exempt accounts should rest not with the private sector but with the Government. The Premier has said that because the work load was rather significant in Victoria that is a justification for this course of action: if the Government is the instrumentality gaining from the tax it ought to be the body determining the exemption levels and not passing that responsibility on to the private sector. In other words, it should pick up the cost if it is picking up the revenue. For that reason the amendment is quite specific in bringing the buck back to the Government. Paragraphs *(a)* and *(b)* of new clause 34 (5) provide:

(5) The following restrictions apply in respect of accounts approved as special accounts under this section:

(a) an amount shall not be paid to the credit of such an account kept in the name of a dealer in securities unless it is an amount that is required or permitted to be paid to the credit of a dealer's trust account under the Security Industry (South Australia) Code;

(b) an amount shall not be paid to the credit of such an account to which subsection (2) *(b)*, *(c)* or *(d)* applies unless that amount represents trust moneys received by the person in whose name the account is kept and required by statute to be paid to the credit of that account;

There are a number of other provisions consequential to new clause 34, but in view of the time I will not go through them. They are listed, and I believe that their purpose is self-explanatory. It is important for the Committee to reject the existing clause 34 to enable me to move new clause 34 in order to achieve the objectives that I have outlined which will be in the best interests of charitable and sporting organisations in the community, removing an impost on them in

which I do not believe the Government has any moral right to be involved.

The Hon. JENNIFER ADAMSON: I oppose clause 34, and the Leader has canvassed why the Opposition opposes the clause. I wish to deal with the historical reason why the Opposition opposes this clause. South Australia, of all the States in the Commonwealth, should be the State that agrees to regard as sacrosanct charities and benevolent organisations and exempt them from taxation of this sort.

Mr Groom interjecting:

The Hon. JENNIFER ADAMSON: It seems that the member for Hartley simply cannot guard his tongue. He has not sought to involve himself in this debate and has been a constant pest on the sidelines. He is like a little dog yap, yap, yapping at the heels of his Premier. He cannot be quiet. I sometimes think the member for Hartley could talk under water inside a bag of cement: nothing stops him. I am happy always to debate with the member for Hartley if only he would participate in the debate, but it is this kind of fringe activity—

The CHAIRMAN: The Chair may be able to accommodate the honourable member for Coles at a later date. At the moment we are dealing with clause 34 of this Bill.

Mr Groom interjecting:

The CHAIRMAN: Order!

The Hon. JENNIFER ADAMSON: It is clause 34 that I oppose. Governments of South Australia always have to be extremely conscious of historical factors affecting this State and its prosperity or lack thereof. Governments have to be equally conscious of the manner in which this State was settled, of the character which was established because of the origins of the foundations of South Australia, a character which remains with us to this day.

It is a well known fact that nationally South Australia has a higher rate of volunteerism than any other State of the Commonwealth. It also has a tradition of greater giving per capita to good causes than the population of any other State in the Commonwealth. Those two very significant social facts have not come about by accident or as a result of benevolent Governments or, in many cases, Government policy: it has been because the people who settled this State came here because they wanted to build a just, free and equitable society in which people cared for and about their neighbours. That is the basis of the origin of this State. We are the only State that had its origins as a province and not as a convict settlement. Western Australia briefly had a time as a province colony—

The Hon. D.C. Brown: We are certainly a convict State now.

The Hon. JENNIFER ADAMSON: One would think we were in bondage of some description. However, I do stress as a student of history that there is something in South Australia that is special and unique in terms of the level of participation of our citizens and voluntary organisations which are of a benevolent or charitable nature. If one wants to attract support for a good cause in South Australia, one has a very good chance of doing so, because our population is predisposed to do things for the good of its community.

The Hon. E.R. Goldsworthy: We are the highest givers in the nation.

The Hon. JENNIFER ADAMSON: As the Deputy Leader reiterated the point I made, we give more per head of population to good causes than any other State in the Commonwealth.

The Hon. Ted Chapman: And we do it with a smile.

The Hon. JENNIFER ADAMSON: And as the member for Alexandra said, we do it with a smile. That is something to cherish and to regard as precious, and it is something to foster. It is something that my Party in all its policies regards as fundamental, to keep alive this spirit of volunteerism, to encourage at every possible step of the way, and to provide incentives wherever possible for people to do for themselves and for each other what needs to be done, rather than to always turn to the State for support or encouragement or succour of some kind. Given that that is our historical tradition, the Government should take account of it in this legislation and should, by removing clause 34 from the Bill, exempt charitable organisations, churches and benevolent organisations from the impact of this legislation.

The record of this State when compared to the record of other States in a whole range of areas, particularly in relation to voluntary help organisations, is quite outstanding. For example, it is well known that South Australia in terms of voluntary organisations has an ambulance service of much higher standard than has any other State. Our ambulance service (the St John Ambulance Service) also has a much higher voluntary component than has any other State and because of that the Government (that is, the taxpayers of South Australia) has saved literally millions (we are not talking about thousands, tens of thousands or hundreds of thousands) of dollars per year, yet as a voluntary body the St John Council would be subject to a financial institutions duty in terms of the funds that it raises. Not only does it not make sense, it is unjust, not right and unfair that the Government should be penalising people who are trying to help the State and their fellow citizens by working voluntarily through a charitable organisation.

I will not deal at length in relation to churches because the Leader has covered that admirably. However, I say to the Premier that, in refusing to delete this clause from the Bill, he has dealt a blow which will not be forgotten by voluntary organisations and the churches of this State and which I believe will come back to haunt him. People give very willingly, but they also remember the little things. The Premier and the member for Hartley regard this tax in terms of its effect upon charitable organisations as a little thing.

The Hon. E.R. Goldsworthy: It hits everybody.

The Hon. JENNIFER ADAMSON: Yes, no-one escapes the net, not even organisations like the Child and Family Health Service, the St John Ambulance Service, Red Cross and a multitude of other organisations. As far as I can see, the National Trust, for example, would be subject to this tax. I think that a Government that allegedly espouses a conservation commitment just makes a mockery of policy and attitudes to people who are trying to assist the State. It is wrong in principle that the Government should bring charitable organisations into the ambit of this legislation and it will have bad effects in practice.

I would have thought that the Premier would be a sufficiently astute politician to recognise that, as I said, it is often the little things that trip up a Government. Quite often the big things, if they can be explained and promoted sufficiently, will be accepted by the electorate. It is the little things like squeezing the last drop of duty out of a charitable organisation that really get under the skin of people and eventually develop a hostility which has a very bad effect on a Government. I am being quite frankly political in my attitude to this because, at whatever level I can appeal to the Premier's better instincts, I want to do so in the hope that the charitable organisations will benefit. Who knows what could happen in the course of discussions tomorrow from my knowledge of organisations which, I believe, will be speaking to the Premier. They are good people who are persuasive: they are not pushy but they are resolute. If the Premier gave them his word or implied that he would do something, they would certainly take it as gospel truth that that will occur. I hope that, if the Premier gives any undertakings, he is prepared to live up to those undertakings to

the letter. I urge the Premier to reconsider and delete this clause from the Bill.

Mr MATHWIN: I, too, have problems in relation to clause 34 because I believe that it should cover particularly the charitable organisations of the State. They should be exempt and eligible under this clause, and accounts should be approved as special accounts. To me it is rather shocking to treat these organisations and sporting groups as shabbily as the Government and the Premier are doing. In fact, he ought to be encouraging these marvellous people who work for these organisations, and there are many thousands who give their time and effort voluntarily to so many organisations that do good in this State and, indeed, they save the community a vast amount of money.

We could pluck as many organisations as one likes from the air, and there are a number of them. I refer to the Crippled Childrens Association, which has the Ladies Auxiliary and different committees working throughout the State to help people. The Crippled Childrens Association, a very fine organisation indeed, used to be called the Somerton Crippled Childrens Association and was situated at Somerton in my electorate. Of course, there are many voluntary organisations which work to assist the blind. The Townsend House Auxiliary, which has operated for many years in Brighton, will also be affected by this legislation. I cannot comprehend why the Premier's attitude to these organisations is so hard.

I said earlier in the debate many hours ago that Minda Home (an organisation in my electorate) is a marvellous organisation that does a terrific job. People spend many hours there, as they did last Sunday during the annual fete when hundreds of people gave their time, money and energy to assist Minda Home to raise money. Of course, there are many other worthy organisations which are full to the brim of people who happily give their time. There are a number of senior citizens clubs and we have one in Brighton which was supported and built by the Lions Club of Brighton. The Aged and Invalid Pensioners Association runs little raffles and the like. The member for Hartley will probably tell me that we are dealing with only $100 or so. That is a colossal amount of money to these people.

I am the Chairman of Meals on Wheels and we provide a three course meal for the sick, infirm and aged for about $1.10 or $1.20, and $100 would serve about 100 meals for these people, yet the member for Hartley would have us believe that that is really nothing. What is it? It is small fry stuff! Any money which goes to charity or those who work voluntarily is money that is hard to get, and I challenge the member for Hartley (if he wishes to take the challenge) to try and sell $100 worth of 20c tickets from a raffle book and to find out how long it would take him to get rid of those tickets.

Mr Olsen: The Minister of Health ran a chook raffle for the Adelaide Children's Hospital.

Mr MATHWIN: Indeed.

The CHAIRMAN: The Chair will not allow the honourable member for Glenelg to bait the member for Hartley or argue with him. The member for Hartley is not in this clause. The honourable member for Glenelg.

Mr MATHWIN: Thank you, Mr Chairman. I admit that perhaps I was being a little naughty and I am glad that you have pulled me back to the track. Nevertheless, the point is still there. The interjections by the member whom we cannot talk about hurt me. There are many volunteers, and I particularly refer to those people who work for Meals on Wheels and who cook in the kitchen, drive or deliver.

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

Mr MATHWIN: In regard to the effect of this tax and the provision of approved special accounts, I am concerned about organisations such as the Crippled Childrens Association and others. Although many Meals on Wheels volunteers are allowed a petrol allowance when using their own cars in providing that service, they would rather assist on a fully voluntary basis and have all funds available to their organisation. Such people deserve recognition by the Government, and the Government has failed in its duty in this matter.

Another area to which I feel obliged to refer involves churches and the massive job they do in the community for people in dire need of help. The many church groups and committees have many bank accounts, some large, some small, and they will all be caught in the net of this Bill. Church people work hard to raise money for their church and such organisations. People work for many charities. Indeed, some church schools have their scholars raising money in walk-a-thons and cycle-a-thons and the like. Funds raised go to help charities, and children, parents and grandparents are all involved in efforts to help churches to raise funds to assist the needy. However, according to the Government, they are not worthy of being on the special list. The Government's attitude is a disgrace. Other areas also deserve recognition. The Government should think about ensuring that no additional burdens are placed on such people.

Further, I refer to sporting organisations. People with experience in life will be aware of young people getting into conflict with the law. They benefit from and need sporting facilities. Certainly, Governments throughout the world spend vast sums providing good sporting facilities for various groups in almost every sport imaginable. Funds are raised for various groups to build club facilities and the like in order to have a good following of young people in society. People throughout the community work hard to provide such facilities to keep young people off the street.

Indeed, in its own way that assists the Government in all manner of means in educating and looking after these young people. These organisations and committees work hard to raise money in an effort to help young people. However, as I see it they are being punished very badly by the Government, notwithstanding the good work they are doing in society. I have had a great deal of involvement with the surf lifesaving clubs. Anyone who has had anything to do with these clubs, whether simply by walking on the beach with their dogs or whatever, would appreciate the great work—

The CHAIRMAN: Order! The Chair has been very patient with the member for Glenelg. I am not sure what he is talking about, but I point out that his comments are supposed to be in relation to clause 34. I ask the honourable member to relate his remarks to that clause.

Mr MATHWIN: With due respect, Mr Chairman, I am pointing out that these organisations, including church, school and sporting organisations, are not under the umbrella of the provisions in the clause. They are not given any protection or assistance, which I believe they should be given. That is the point I am trying to convey. If I can convince the Premier in some little way or other to the point where he might crack and say, 'Yes, that is a good idea, I believe that I have been on the wrong track all the way and I will change my mind and accept the Opposition's amendment', then I believe I will have done a good job here today, last night and the night before.

The Surf Lifesaving Association saves the Government hundreds of thousands of dollars, but apart from the monetary aspect, it saves the lives of many people who use our beaches. The clubs work very hard and there are a number of them throughout South Australia, each and every one of which has at least two committees within the club which work to raise money for the club. This is spent not only on

clubrooms but also on vital equipment that assists in saving lives on our beaches. This is apart from the donations of different types of equipment made by large industries. It seems that the only way to get to the heart of the Premier is to talk about the little people, the ordinary people of this State, those who work hard to help these clubs. Those people should be given some consideration by the Government. I believe that the Government is failing in its duty to help these people by not making provision for them. In fact, they are overlooked, which I think is shocking. It is disgraceful that the Government does not recognise the benefit provided by these organisations. I cannot support the clause as it stands because these various voluntary, charitable, school and sporting organisations are not included.

The CHAIRMAN: Order! The honourable member's time has expired.

The Committee divided on the clause:

Ayes (20)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Plunkett, Trainer, Whitten, and Wright.

Noes (17)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Rodda, Wilson, and Wotton.

Pairs—Ayes—Messrs Ferguson, Klunder, Peterson, and Slater. Noes—Messrs Allison, Becker, Blacker, and Oswald.

Majority of 3 for the Ayes.

Clause thus passed.

Clause 35 passed.

Clause 36—'Cancellation of designation of account.'

Mr OLSEN: We are getting into an area where my proposed amendments are consequential on amendments that previously have not been passed. Rather than harrow the ground, it would be best if I did not proceed with my proposed amendments to clauses 36, 37 and 38.

Clause passed.

Clause 37 passed.

Clause 38—'Time for payment of duty.'

Mr BAKER: I presume that this will be done by regulation. Can the Premier give some indication of how long it will be before the return is provided and when will the payment be due?

The Hon. J.C. BANNON: It will be about 21 days.

Clause passed.

Clause 39—'Extensions and time to pay.'

The Hon. JENNIFER ADAMSON: I ask the Premier to give some indication of the circumstances that the Bill foresees when it states that:

(1) The Commissioner may, in such cases as he thinks fit—
(a) extend the time for furnishing a montly return by such period as he considers the circumstances warrant;
(b) extend the time for payment of duty by such period as he considers the circumstances warrant; or
(c) permit the payment of duty to be made by instalments within such time as he considers the circumstances warrant.

I would like to know the range of circumstances that the Government had in mind when it placed clause 39 within the Act.

The Hon. J.C. BANNON: It is very much a matter for the Commissioner to determine. In part, the Commissioner will try to work on certain criteria if this becomes necessary. In areas like pay-roll tax, there tends to be flexibility because of the ebb and flow of commercial dealings. In the case of f.i.d., we are dealing basically with banking institutions where there should be no hitches or problems. If there were some technical problem—a breakdown or computer failure on the day on which returns were to be lodged—it provides for such. It is of a technical nature, despite the reading of clause 38 and has to be there to enable some enforceability.

Clause passed.

Clauses 40 to 47 passed.

Clause 48—'When duty not paid during lifetime.'

The Hon. JENNIFER ADAMSON: I am not familiar with the general provisions of legislation affecting financial institutions. I would like the Premier to say whether the provisions of clause 48 are standard provisions and, in effect, allow the Commissioner, in pursuit of his duty, to follow everyone to the grave, so to speak. The provisions are wide ranging. Can the Premier indicate whether or not this is standard or is a new provision written in especially for this Bill?

The Hon. J.C. BANNON: This is a standard provision where the person involved may be an individual as opposed to a corporate person where death is obviously not a criteria. If an individual money market dealer who is not a registered corporation or a dealer in securities dealing personally dies leaving obligations, the recoveries go to the estate. It is a standard clause to cover personal as opposed to corporate responsibility.

Clause passed.

Clauses 49 to 51 passed.

Clause 52—'Commissioner may collect duty from person owing money to financial institution.'

The Hon. J.C. BANNON: I move:

Page 29, line 18—Leave out 'at his last known place of abode or business'.

This provision was inserted in the draft Bill but was revised, and a more satisfactory revision now appears in the Bill for the service of documents. Clause 73 spells out these things in much greater detail. This provision is now superfluous and can be deleted. If it stayed in it would not do any harm, but there is no point in leaving in a provision that is not necessary now that clause 73 has been tightened up.

Amendment carried; clause as amended passed.

Clauses 53 and 54 passed.

Clause 55—'Offences.'

The Hon. JENNIFER ADAMSON: Is the Premier aware of breaches that have occurred under this legislation in the Eastern States? I appreciate the fact that the money market and financial institutions in these States are of a greater magnitude than in this State, with the greater pressure that that entails. Nevertheless, it would be of interest to the Committee to know whether or not there has been a breach of any kind in the year or so that this legislation has been operating.

The Hon. J.C. BANNON: No, there is little evidence of problems that would need the invoking of this section. That is partly symptomatic of the duty itself. Once the systems are in place to correct it, it is a pretty smooth operation, and these questions do not arise. Obviously, the contingency has to be provided for in case of problems.

Clause passed.

Clause 56 passed.

Clause 57—'Evading duty.'

Mr BAKER: I question clause 57 when read in conjunction with clause 55, which has just been passed. In clause 57 the default clause seems to cover a fairly stiff penalty. As far as I am aware, a default could be an omission. I am not concerned about 'wilful act'. Why do 'default' and 'wilful act' come under the one heading, or are they deemed by law to be separate?

The Hon. J.C. BANNON: Clause 57 covers those cases which involve *mens rea*, which basically means intention. The words 'wilful act', 'default' or 'evade' relate to a conscious act on the part of the person to avoid the duty. Obviously that is qualified in terms of the Act. Avoidance and evasion are different. Avoidance is a means whereby

an Act is bypassed or got around but technically is within the law.

This particular provision is that which deals with some form of established intention on the part of the person involved and, as a result, attracts very much higher penalties than those provided under clause 55 where there has been a failure or neglect but not an established wilful intent to avoid. They are kept separate, I think, for very good reason because there is quite a difference in quality between the two offences.

Clause passed.

Clauses 58 to 60 passed.

Clause 61—'Offences by bodies corporate.'

The Hon. J.C. BANNON: I move:

Page 32—Leave out subclauses (1) and (2) and insert subclauses as follows:

(1) Where a company is guilty of an offence against this Act, each responsible officer of the company shall also be guilty of an offence and liable to a penalty not exceeding the maximum prescribed for the principal offence unless he proves that he could not, by the exercise of reasonable diligence, have prevented the commission of the principal offence.

(2) In this section—

'responsible officer', in relation to a company, means

(a) where the company is a body corporate—an officer of the body corporate within the meaning of the Companies (South Australia) Code;

(b) where the company is an unincorporated association (not being a partnership)—a member of the committee of management of the association;

(c) where the company is a partnership—a partner.

This amendment relates to subclauses (1) and (2), which have been reworded. As previously indicated, further consideration relating to this clause has given rise to the proposal that it be recast. The clause we have before us in the printed document was in the Victorian Financial Institutions Duty Act. Much of the legislation was based on particular provisions there, but it is not strictly in the form one would expect to see in this State in terms of integrating it into the general pattern of our legislation.

In particular it is considered that the responsibility of an officer in relation to an offence by a body of which he is an officer should not rely on whether or not he was knowingly a party to the offence but whether the officer could, by reasonable diligence, have prevented the commission of the offence by his principal. That is an objective standard, rather than a subjective one. it is not what the person actually thought, but what with reasonable competence and diligence he should have done. That lines up with similar legislative patterns in this State: hence it is incorporated in the amendment.

It is further proposed that the definition of 'officer' itself should be amended to clarify what is intended in relation to that person. Again, on the face of it, there is no problem with that definition, but the new definition has the specific advantage, when relating to the operation of the provision on unincorporated bodies, that it includes as responsible persons the partners of a partnership where the partnership is guilty of an offence. Again, one could construe that from the section as originally provided, but the recast amendment makes that clear in terms of other legislative prescription.

Mr OLSEN: As to further elaboration or definition of a responsible officer, we have no objection. Regarding the amendment, mere negligence is sufficient to establish an offence. That is how I clearly understand the rewording of clauses 61 and 62 that the Premier has moved. He has completely recast those clauses. The Premier suggests in the first part that mere negligence is sufficient to establish an offence. The existing subclause applies to a person who is knowingly a party to an offence; he has knowingly committed the offence. I think there is a clear distinction between the two.

The Liberal Party does not support the proposition that negligence would lead to an offence, versus that of a knowing party actually contributing to the committal of an offence. If the Premier wants to put the recast clauses together, as it would appear, and not separate the definition of 'officer' from that relating to the offence of negligence, wilful participation, we would oppose the total amendment. While we have no objection to the definition of 'responsible officer', as a matter of principle we object to the basis for the establishment of the point of blame and the establishment of the offence.

The Hon. J.C. BANNON: I take the Leader's point. However, the Government will persist with the amendment. As the Leader said, it is true that the amendment provides a much more rigorous responsibility: in fact, a doctrine of strict responsibility at law. It depends less on the actual knowledge of an officer and more on what he could reasonably be expected to have known. This type of provision has been imported into a number of national legislative prescriptions, such as the Uniform Companies Code. Other areas are also picking up this area of strict responsibility, mainly as a result of the experience of persons hiding behind the corporate veil in terms of trying to avoid responsibility for their actions. That is a difficult case to prove, and one must prove the subjective knowledge of the individual.

It is an offence in terms of the legislation, and the amendment must be read in the context of the scale of offences detailed in the Bill itself. It is not as though the duty being imposed on the officer could be expected of him unreasonably. If it is quite clear that the offence was not within his knowledge (and there could be many reasons for that) there is no question about the responsibility. However, if in the general course of the reasonable exercise of a person's duties (being the reasonable standard of duty and care) it can be established that the officer should have known, that is sufficient to establish an offence. The legal case can then refer to the offence and its nature. If clause 61 (1) remained as it appears in the Bill, we would get into the difficult area of establishing proof. The argument in favour of the amendment is that strict responsibility is being imported into a whole range of codes and practices in companies and elsewhere. There is no reason why this provision should not be contained in legislation such as this.

Mr OLSEN: I place on record the fact that the Opposition does not accept the Premier's explanation in relation to the amendment, but we will not divide.

Amendment carried; clause as amended passed.

Clause 62 negatived.

Clause 63 passed.

Clause 64—'Applications by financial institutions to pay receipts to the credit of non-exempt bank accounts.'

Mr ASHENDEN: The Premier will probably recall that when the Committee considered clause 21 this afternoon he informed me that a problem being experienced by one of my constituents should be addressed to this clause. I ask the Premier to place on record a layman's interpretation of the clause so that I can explain it to my constituent. I would find it helpful if I could have in succinct words why it is that that clause overcomes the concerns that I expressed earlier.

The Hon. J.C. BANNON: As I indicated earlier, this clause should provide the means whereby in the situation as I recall it, and I must admit I cannot recall it in explicit detail—

Mr Ashenden: Would the Premier like me to reiterate it?

The Hon. J.C. Bannon: Yes.

Mr ASHENDEN: It was in relation to clause 1 where the company does not quite reach the $5 million a year figure, but at least on one or two months of the year it exceeds the $600 000 or whatever the figure was, and he is

required to register for that one month of the year but for 11 months of the year he is not.

The Hon. J.C. BANNON: Someone in that situation under this clause can register but, having registered, the Commissioner can then grant an exemption which puts it beyond doubt. In other words, there are two situations. One could say there is doubt as to whether one has to register but that he simply will not, and that is the dilemma that the member's constituent obviously finds himself in, should he register or not, because if he did not register he may find himself in breach of the Act. If he is in that borderline situation, the technical way to approach this matter would be to consult the Commissioner and get a preliminary opinion; he could register under section 64 and then, because he is a borderline case, bearing in mind those discretionary powers we have already discussed in the earlier clause, the Commissioner then can grant him an exemption as a registered institution, which puts beyond doubt his liability in this instance. That would be the sensible way of approaching it. I would suggest negotiation with the Commissioner who could advise whether to use this clause or whether he might just as well remain totally unregistered.

Clause passed.

Clauses 65 to 68 passed.

Clause 69—'Power to obtain information and evidence.'

Mr BAKER: I am not sure whether we are dealing with clauses 69, 70 and 71 in a group, in terms of the reference I made earlier to this disclosure of information and obtaining information about the operations of banks, other than the Savings and State Banks which are effectively under State control. I will ask my question now because I was previously not allowed that facility. Will these provisions enable the State Treasurer to obtain information about the operations of banks, credit unions, and building societies in both a macro and micro form which he is unable to do at present?

The Hon. J.C. BANNON: No, because the key question is that the information that he seeks must be relevant to his powers and responsibilities under the Act. If the Commissioner seeks to go beyond the Act he can be challenged immediately, and that information is not covered by this clause. That is emphasised by words such as 'produce books in his custody or control relevant to the subject matter of the inquiry'. If one was approached by the Commissioner and he says 'Under the Financial Institutions Duty Act I wish to establish whether or not you are in compliance with that Act, and for that purpose I wish to examine certain books,' it is then open to the institutions so approached to provide him with books strictly relevant to that inquiry.

If the Commissioner then goes on to say that he wants further information, he is not entitled to it. It must be within the powers of the Act. There are probably some cases where this may arise because this is a grey area of investigation. In that situation there is also recourse to the courts for some sort of opinion or writ of some sort to protect the privacy of the individual. I can assure the honourable member that the Commissioner will not be seeking to inquire into profits, losses or other areas. For a start, there is no reason why he would want to do this as it is not information of any relevance to him. Secondly, it being beyond his power, there is no point in his pursuing that matter, thus putting at risk his inquiry. Bear in mind that the institutions that he is dealing with are, in most cases, banks, which are registered and have strict controls under their Acts, so I doubt that there would be any question or problem arising in this area, although a problem may occur occasionally, perhaps, with dealers in securities or people of that nature. Again, they are subject to the Act and registry provisions. With this sort of duty it is far less likely to occur than in some other areas of inspectorial needs.

Clause passed.

Clauses 70 to 75 passed.

Clause 76—'Passing on duty.'

The Hon. J.C. BANNON: I move:

Page 39, lines 21 to 24—Leave out subclause (1) and insert new subclause as follows:

(1) Nothing in this Act prevents a registered financial institution from recovering from a person from whom it receives money, or with whom it has dealings, financial institutions duty paid by the financial institution in respect of that receipt of money, or those dealings.

This amendment is to insert a new subclause in accordance with a submission received from the banks. The clause relates to the passing on of duty. Subclause (1), as expressed in the original Bill, relates to the passing on of financial institutions duty by a registered financial institution to persons on whose behalf it holds accounts. However, it may be that the financial institutions duty will also be incurred in relation to receipts from persons who are not account holders. It has, therefore, been submitted by banking interests that some redrafting should occur and the proposed amendment adopts that submission, which involves receipt of duties from all persons from whom institutions receive money or with whom they have dealings. It is not confined simply to accounts. That certainly simplifies and clarifies the question so far as banks are concerned. I believe the amendment is worth adopting.

Amendment carried.

Mr BAKER: I wish to ask a question that I signalled earlier in conjunction with the transitional provisions. This question was raised with me by a constituent and a member of a financial institution that will not be able to comply with the legislation until well into 1984. This provision states that duty is recoverable by this institution. As the Premier well understands, if they have no facility enabling them to isolate each account, and actually debit that account, the recovery of that duty will involve a massive amount of paperwork, and some extreme losses will be incurred in such a situation. I can see nothing in the transitional provisions about this matter. There is also the question of legality of recovery some four months after the event when they have the system set up and operable.

There are two questions, and I wonder what the Premier intends to do about this situation. As the Premier would know, some of these organisations are having some difficulty. They need new software packages, they are still in the testing phase, and they will have to go on to a manual system to be able to get the duty back. Therefore, there are two questions: first, what do they do about the losses they will sustain and, secondly, is it legal for them, even if they can get them up, to recover them some four months after the event?

The Hon. J.C. BANNON: The charges they levy will be up to them and, if they choose to try and recover, they can do so if there is a loss. This clause is essentially an enabling clause, enabling them to pass on that duty, without which the institution would have to absorb it or find some other way of working it into its cost structure. The transition provisions should provide for any problems raised by the honourable member, and I think that it is a matter for each institution to determine how it will deal with the transition period. However, the Bill provides scope for a number of different approaches and, of course, arrangements can be made with their clients.

Mr OLSEN: I move:

Page 39, after line 29—Insert new subclause as follows:

(3) Nothing in this Act prevents a person from recovering from any other person with whom he has dealings an amount equal to the amount of financial institutions duty that he may be liable to pay to a registered financial institution on account of the receipt by that financial institution of moneys relating to those dealings.

It clarifies that any person who has dealings with another person is not prevented from recovering f.i.d. from that person on any receipts related to the transaction, and new subclause (3) is basically self-explanatory, but limits the amount to be recovered to an amount equal to the amount of duty, that is, financial institutions duty.

The Hon. J.C. BANNON: I thank the Committee for its indulgence because we are a little in two minds about this. I can understand the points being made by the Leader of the Opposition and I was trying to find a way to either accept the amendment or perhaps a rewording of it which would be satisfactory. However, I am afraid that I cannot. I understand the point that the Leader of the Opposition is trying to make in terms of passing on, but I point out that there is nothing to prevent that occurring within the existing Act and provisions.

It can be done either by agreement or the way in which charges are levied by a particular institution. Perhaps I should not use the term 'financial institution' in that sense, because we may be talking about a credit provider or a transaction further down the road. The problem (and the reason why I cannot accept the amendment) is that it raises a number of legal problems in relation to the nature of the f.i.d. which I do not believe we should import into the Act.

At present the Act remains firmly fixed on the responsibilities of the financial institution and its ability to pass on. If we take this further step, we immediately open up a whole new line of argument as to the purpose or intention of the Act. However, in opposing the amendment I point out that the problem it seeks to overcome can be overcome by other methods, either on an agreed or informal basis. I do not believe there is a great problem in regard to the institutions to which the Leader referred.

Mr OLSEN: Although as the Premier says this can be done by other methods, I understand that the Bill is silent on the matter. The amendment seeks to clarify the position so that there can be no misunderstanding of the future position. Will the Premier indicate where in the existing Bill that point is covered, as he said it was covered?

The Hon. J.C. BANNON: The Bill is silent on the matter, but that does not preclude such a passing on.

Mr OLSEN: The Premier has identified the point we are making: the legislation is silent on this matter, but that does not preclude it. So, why not set it down in the Bill and clarify the position so that there can be no misunderstanding whatsoever? We want to clarify the Bill on the basis that the existing legislation is silent.

The Committee divided on the amendment:

Ayes (18)—Mrs Adamson, Messrs P.B. Arnold, Ashenden, Baker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Rodda, Wilson, and Wotton.

Noes (20)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs McRae, Mayes, Payne, Plunkett, Trainer, Whitten, and Wright.

Pairs—Ayes—Messrs Allison, Becker, Blacker, and Oswald. Noes—Messrs Ferguson, Klunder, Peterson, and Slater.

Majority of 2 for the Noes.

Amendment thus negatived; clause as amended passed.

Clause 77—'Reimbursement of duty to charitable organisations.'

Mr OLSEN: The Opposition intended to oppose this clause, but that was consequential upon the success of a previous amendment in regard to charitable bodies, sporting organisations, land agents, land brokers, legal practitioners, and the like. Cash delivery companies are not now included in that group because I am pleased to say that, as a result of pressure exerted by the Transport Workers Union in the past 48 hours, the Government accepted an amendment. It is unfortunate that these other bodies did not have a similar union to provide support for them, as the member for Elizabeth and the Minister of Education well know, in respect of the influence exerted by the T.W.U. in the past 48 hours. As a result, we actually obtained Government support for an amendment through this Committee as a result of the influence of the T.W.U. in support of the companies and several Government members. Therefore, I delete cash delivery companies from my comments on clause 77, that being consequential on new clause 34.

Be that as it may, we do not wish to oppose clause 77, because to oppose clause 77 without the previous amendment would actually knock out the rebate above $20 for those charitable organisations, which is totally against the principle that we want adopted, namely, total exemption for charitable organisations, non-profit groups, sporting organisations and a range of other groups which I have already identified in the debate. I shall not canvass the matter again, but I can assure the Committee that the position now does alter the Liberal Party's seeking to have the measure amended. I have no doubt that as a result of the pressure that has been applied by us on behalf of those groups between now and when this legislation finally passes the Parliament we may see some alteration in relation to that area.

Whilst we will not oppose the measure in this House (because quite obviously the Government will roll out its numbers yet again), we will seek to have some significant changes made in another place in regard to this matter to attain our original objective, which was to look after those groups involved. The Opposition has clearly indicated that it opposes this legislation, but I am simply indicating to the Committee that we will continue to press for amendments to this legislation. Obviously, the Government is thinking that way: the Premier has made arrangements to see a deputation from the Uniting Church tomorrow morning hopefully in an endeavour to work something out.

The Hon. E.R. Goldsworthy: Squaring off.

Mr OLSEN: I do not care what the Government does as long as it attempts to relieve the tax burden and pressure on those groups. In the passage of this legislation I am pleased that we have been able to make some amendment to it and if before the legislation finally passes both Houses we can make further amendments then I believe we have served a very useful purpose. There is no doubt that the Opposition has highlighted the fact that a number of anomalies exist in the legislation as it stands at the moment. Those anomalies will have to be corrected prior to the legislation's passing in another place. In advising the Committee that the Opposition does not seek to oppose this measure, I am not suggesting for one moment that the Opposition is resiling from its position which it has outlined very firmly as it relates to charitable organisations, non-profit groups, sporting groups and the others that would be affected by the measure, such as land brokers, legal practitioners and the like. The Opposition still firmly believes that provision for exemption of these organisations should be embodied in the legislation, and we will seek to have that facilitated in another place.

Mr MEIER: I support what the Leader has said. He made the point that to do away with the measure altogether will not help from the point of view that there is some reimbursement. However, the point is that the legislation should not have been here in the first place. At this stage, can the Premier say to what extent churches will be taxed? Will they be taxed on one account only or will each congregation be subject to tax on each account? Of course, we are all very well aware of what could occur in regard to a typical congregation. There could be the congregation account

(often there are at least two of those accounts, one possibly used to pay the minister) and another account could be used to pay administrative expenses generally.

So, that would be two accounts that the church would have to begin with. Further, there could be a separate account for works and ground maintenance around the church. Also, there could be accounts for the women's auxiliary, the men's auxiliary and the Sunday School and so on. I would be interested to hear from the Premier whether the churches will be subject to one account only for the whole of the church throughout the State or whether accounts will be separate for each congregation and subject to this tax.

One could apply that, then, to other charitable bodies, service clubs and the like. I would be interested to have an answer there, but I would like to go on first. One charitable organisation that I know has been struggling is Meals on Wheels. I have had to deal with an example where a particular Meals on Wheels group in my electorate is making some 20c per meal. We are talking in very low terms, therefore. It is charging something in the order of $2 and is making 20c. Its electricity bill at the last reading was $500. It is in a real pickle; I have taken it up with the appropriate Minister and will not debate it here.

Where groups such as Meals on Wheels have to deal with this financial institutions duty, any cent that is taken away from them means that they are becoming less and less viable. This particular Meals on Wheels group does not know where to go from here, anyway; its members feel like packing up because they are in so much debt.

It would seem from clause 77 that these groups will be subject to this financial institutions duty on any money that passes through accounts that they are operating. Meals on Wheels, of course, serves primarily the pensioners and other people who are incapacitated. I, too, have had phone calls. A particular phone call that has come to my attention from a pensioner who is also involved through the charity side of it in getting Meals on Wheels has indicated that not only is his pension cheque now subject to the 20c that the Hawke Government has imposed but 16c is the estimate from his bank that he will have to pay out of his pension cheque on this new Bannon tax. So, a total of 36c disappears from his pension cheque each time he is paid; that is a very significant amount, yet it seems that this section here is not interested in these people who will possibly have to have their meal costs put up for Meals on Wheels because the charity will be further taxed. It is a vicious circle, from which the people who can least afford to pay are not getting any respite at all.

I wonder further about this matter. I believe that I know the answer, but I put it to the Premier again; it is up to him whether he wants to answer. So many of these charitable organisations have various accounts, and the amount is swapped from one account to the other on a reasonably regular basis; yet it seems that any exchange of money from one account to another means that it will be subject to the financial institutions duty so that, rather than its having to be paid once, it is quite likely that it will have to be paid twice and even more. That, of course, would apply to most of the groups. I know that the Premier has endeavoured to answer these questions before, but I restate them: are churches to be taxed on the one account only or are the congregations to be subject to a tax on each of their accounts—which could result on six or more accounts at the very minimum? Likewise, if they transfer money from one account to another, we are looking at possibly the equivalent of a dozen accounts.

The Hon. J.C. BANNON: A brief response is called for, although we have probably covered this matter in a number ways in the earlier part of the debate. I am aware of the problem which the honourable member is raising. It is fair to say that the clause as drawn in this Bill does not adequately meet the problems that it seeks to overcome. I have already acknowledged that, but we are not in a position at this stage to have a formula which will meet the needs of the churches and charitable organisations. That is being worked on at the moment. As I have indicated—I know that this draws cries of horror from members of the Opposition—it can be dealt with in another place, and that is the intention.

The Hon. E.R. GOLDSWORTHY: I understand that the Premier has said that at the moment all of these accounts delineated by the member for Goyder will be caught—the Womens Fellowship, church and other groups, and so on. Any interchange between the groups will also be caught. Is it the Premier's intention to see that situation is remedied? There are two prongs in what the Premier said. At the moment they are caught, but he intends to see that they are not. Does he mean the head office of each local church? How far does he intend to go in remedying the situation?

The Hon. J.C. BANNON: That is not what the discussions are about. At the moment it would appear that they are all caught, and we acknowledge the problems involved in that. We are now asking those institutions to talk with us about how we might overcome the problem. I cannot indicate precisely how far we can go at this stage.

Mr MEIER: I thank the Premier for his frank answer. I take the opportunity to say that it indicates that more thought should have been given to the matter earlier, and the Premier has acknowledged that. It also clears me from the second reading speech that I gave, when I was cut down virtually in mid sentence while trying to make a point about the effect on the churches. The Premier has made the position clear, and I thank him.

The Hon. JENNIFER ADAMSON: Consistent with my opposition to clause 34, I oppose the clause. It has been encouraging and enlightening to hear the Premier come around from the position he held 24 hours ago in relation to this aspect of the Bill. I want to emphasise, by using one example as an illustration, how thoroughly offensive it is to me as a South Australian to think that the Government of my State would place a tax on people who raise funds for charitable purposes.

A few weeks ago I attended an annual general meeting of the Campbelltown Womens Service Association. While I knew of the existence of these associations, I had never attended an annual meeting. I was absolutely staggered to find that the 15 members—a small group of women comprising the committee of that association (many of whom were elderly)—had raised substantial sums of money in the preceding year. In fact, when the treasurer read out her report and said that they had raised $15 000, I could scarcely believe it. That was equivalent to $1 000 for every woman on the committee and was raised by selling jam on street corners or catering for council suppers.

The Hon. J.D. Wright: A good campaign committee.

The Hon. JENNIFER ADAMSON: They would be very good. The very thought mentioned by the Deputy Premier went through my mind. That demonstrates what can be done by a determined group of women. Bearing in mind the enormous dedication of these groups and the enormous good they do in a cost efficient fashion, it is offensive in the extreme to think that a Government should take 1c of those hard earned funds. It may only add up to cents but it is often the little things that count, and it is in the little ways that a community can express its appreciation or its total lack of regard for organisations such as this. So, I hope that by the time this Bill enters the other place the situation is remedied in a way that is satisfactory to both the church and charitable organisations and the Opposition, which supports those organisations so vigorously.

The Hon. J.C. BANNON: I move:

Page 39, after line 33—Insert new paragraph as follows:
(ab) that no amount has been paid to the credit of that account that represents an amount other than moneys paid for the exclusive use of the organisation;.

This amendment is consequential on the acceptance of an amendment moved by the Leader of the Opposition in relation to the definition of 'charitable organisation.' It ensures that, while extending that definition, and the Government agreed to extending it, amounts may not be paid to an account in the name of the organisation unless it represents moneys paid for the exclusive use of the organisation. This provision is simply a way of ensuring that a charitable organisation cannot, whether wittingly or unwittingly, be used to siphon money or be made an intermediary clearing house for some other purpose. I think that this amendment supplements the extended definition.

Mr LEWIS: I add to the anecdotal comments of the member for Goyder and the member for Coles. The member for Goyder was derisively attacked by members of the front and back bench of the Government during his second reading speech when talking about these organisations. Now, much to the Government's chagrin, it finds that what the member for Goyder was saying is true. It is lamentable that a Government has to admit that it has brought in a measure, the impact of which it had not accurately contemplated, and finds itself in a position of taxing money raised by Boy Scouts and Girl Guides who collect empty bottles along the roads near Tailem Bend. These organisations conduct a community service in keeping a potential hazard away from the carriageway and providing funds for themselves. In so doing these organisations find that the Government is so insensitive, uncaring, eager and greedy to get its dirty cotton-picking little mits on the money that it does not care that it will tax what those organisations raised.

Amendment carried; clause as amended passed.

Clause 78—'Depositors with unregistered financial institutions.'

Mr OLSEN: This matter has been before the Committee previously and there is no useful purpose in churning over that ground again, despite the fact that the attitude of the Opposition remains the same.

Mr BAKER: The difficulty I have with this clause is that the onus suddenly changes from an institution to a person. There are a number of provisions in the Bill which control the operation of financial institutions. It appears that this provision is wrong in its drafting. Can the Premier say how a person would know how much is held by a financial institution so that that person can comply with this provision? Is there a provision requiring an institution to inform depositors of amounts of money held at a particular time?

Concerning the previous amendment, will the Premier say whose responsibility it is regarding new paragraph *(ab)*? Who has the responsibility to ensure that all money in an account is for a charitable organisation? There is nothing to ensure that a charitable organisation complies with this provision, and the financial institution can hardly be regarded as responsible. The question of responsibility in this situation causes me some difficulty. No-one could possibly know how much the bank is holding: there could be $200 000 in the middle of the month and $450 000 by the end of the month, and then one must comply with this provision.

The Hon. J.C. BANNON: The honourable member is right. This provision reverses the onus by making the person liable. The practical effect of that is to induce the institution, which normally would not be caught up within the Act because it is a Commonwealth instrumentality (basically we are talking about the Commonwealth Bank), to register in order to overcome the problem. Oddly enough, the precedent for this relates to Queensland where there is a duty on Bankcard which has been in operation for quite some time. One has heard marvellous tales of freedom and lack of taxation in Queensland. If one examines the real tax revenue base of Queensland one finds some interesting imposts levied, mostly on business. We do not have the precedent for this tax in this State.

Queensland imposed a duty on Bankcard but, because of the national nature of that, it was imposed on the individual, which in turn meant that the institutions in a sense were forced to pick it up and take up the collection on behalf of those individuals. That precedent has quite effectively been used in Victorian and New South Wales legislation. On the face of it, as it stands, it imposes a fairly heavy responsibility on the individual. In practice it means that either the Commonwealth Bank or Federal institution collects the duty and complies with the Act in the normal way, or the individual will take his accounts elsewhere because that individual will not be landed with that sort of responsibility. That is the purpose of the clause.

Mr BAKER: I understand that the Premier has received an undertaking from the Commonwealth.

The Hon. J.C. BANNON: Based on the precedents of New South Wales and Victoria, I think that that is correct. Without this provision all sorts of objections could be raised. I think that the clause as it stands provides the impetus for institutions to register.

Clause passed.

Remaining clauses (79 and 80) passed.

Schedule.

The CHAIRMAN: The Chair intends to deal with the schedule *en bloc*, apart from two indicated amendments. First, the Leader has an amendment on file to delete paragraphs 1 to 3, inclusive.

Mr OLSEN: I indicate to the Committee that my amendments to the schedule were consequential on previous amendments to the Bill. Apart from one or two amendments to the Bill, the majority of the Opposition's amendments were not accepted by the Committee. Therefore, the Opposition does not intend to proceed with its amendments to the schedule.

The Hon. JENNIFER ADAMSON: I ask the Premier to explain the significance of the month of January. If the duty is payable from 1 December, why did the transitional provisions refer to extensions for January? I would have thought that the first requirement would have been to make extensions for December, if a financial institution is not geared up in time. In relation to paragraph 2 of the schedule, I take it that if the duty is not collectable until the dates specified (and again, December is missed out) the financial institutions must pay the total that would have been payable had it been collected from 1 December. In other words, there appears to be no let-out for December. On first perusal of the schedule there appears to be no mention of December. Why is that?

The Hon. J.C. BANNON: The liability for duty will run from 1 December. However, that duty is not payable for December until 21 January. In other words, from the end of the month over which the liability accrues one then has a further 21 days to assess that liability and make payment. I hope that most institutions, following the enactment of this legislation, would be able to make that assessment within three weeks. However, because of the need to set up the system and so on, it may well be that they cannot. In that case, they can extend a further three months from the time they become liable to pay. However, the liability to make the actual payment will still run from December, so they can make an estimate in terms of the transitional provision at the end of that time and the correct figure can be established. They can choose any one of those three months to make the payment. Some may want an extra month, or two or three months.

We have also added a further provision which says that after three months (which means that the duty for December has still not been paid by 21 March), if there are still problems of assessment and payment, then they can approach the Commissioner who has the power to give a further extension of time. So, the idea is to try and build flexibility in that initial stage into the collection of duty, but once the system has settled into place, that liability will be met.

Mr BAKER: I am confused by that last answer. Under clause 22 the financial institutions have been asked to supply a return that shows their receipts. I presume that the regulation will specify when that actual duty will have to be paid. The answer I received previously was 21 days, and I presumed that the 21 days would relate to after the period on which that financial return which showed all the receipts had been actually submitted. Now the Premier says that the payment has to be made within the first 21 days, and I would like that point clarified.

The Hon. J.C. BANNON: The normal practice would be to file that return and pay the duty on the same day because once an institution has compiled its return it would immediately know its obligation and the two could be forwarded at once. One is looking at 31 December where a liability is established, and one then has 21 days in which to *(a)* calculate that liability and *(b)* make the payment. Normally the completion of the calculation and the payment would be on the same day, as part of the one transaction.

Mr BAKER: Where is the payment covered under this Bill? Which clause covers the actual physical payment? Some clauses deal with supplying a return, but where does it state that the money has to be paid over, or what provision states that within 21 days it has to be paid? I have been through the measure and I cannot find it.

The Hon. J.C. BANNON: The honourable member will see under clause 38 a provision for obligation to pay in relation to each financial institution and each registered short-term money market operator. That obligation to pay is established under the section to which I refer.

Mr BAKER: Payment procedure is not established in the Bill. People are required to pay money but nowhere is it stated that they are required to pay within 21 days after the end of each month.

The Hon. J.C. BANNON: The Bill states one has to pay. Obviously one cannot pay unless one has made a calculation and lodged a return. Once that is done, one has to comply with payment within 21 days. Clause 22 provides:

> . . . each financial institution that is registered or required to apply for registration in accordance with the provisions of section 21, shall, within twenty-one days after the end of each month, furnish to the Commissioner, in a manner and form approved by the Commissioner, a return relating to that month in which he specifies—
> *(a)* the total of the dutiable receipts other than the dutiable receipts referred to in paragraph *(b)*;
> and
> *(b)* the number of dutiable receipts of, or exceeding, $1 000 000,
> that were received by him during that month.

The return having been established, he must pay in accordance with those provisions of the Bill. Clause 38 provides:

> Subject to this Act, each financial institution and each registered short-term money market operator liable to pay financial institutions duty shall pay the duty within the period within which he is required by this Act to lodge the return of the receipts or average daily liability in respect of which the duty is payable.

Under the provisions of clause 22 quoted a person is liable to make a calculation and then lodge a return. Under clause 38 he is liable to pay within the time provided for lodging returns. It means, in theory, one can lodge a return and pay subsequently within 21 days, but 21 days effectively is the time within which one must do both, either simultaneously or separately.

The CHAIRMAN: We are dealing with the schedule in bulk. I take it that the Premier will move the amendment in bulk?

The Hon. J.C. BANNON: I move:

Page 44, after clause 7—Insert new clauses as follows:

> 8. (1) Notwithstanding any other provisions of this Schedule, the Commissioner may, by notice published in the *Gazette*, determine a date from which accounts may no longer be designated as interim exempt accounts for the purposes of this Act.
>
> (2) A financial institution that is, on the date published by the Commissioner under subsection (1), keeping an interim exempt account shall, on that date, cancel the designation of the account as an interim exempt account.
>
> 9. (1) A person who, although ineligible to obtain approval for an account kept in his name by a financial institution as an exempt account for the purposes of this Act, obtains the designation of an account as an interim exempt account, shall be liable to pay to the Commissioner an amount equal to the amount of financial institutions duty that would have been payable by the financial institution keeping the account in respect of money received by it for the credit of the account had the account not been an interim exempt account.
>
> (2) An amount payable by a person by virtue of subsection (1) may be recovered by the Commissioner as if it were financial institutions duty.

This amendment seeks to add two new subclauses. In relation to clause 8, it has been submitted to us that the Commissioner should the opportunity to determine a date within which accounts may no longer be designated interim exempt accounts under the Act. If that is not done, persons may be able to use interim exempt accounts well after the transitional period expires, although they either should have retained their accounts or were in eligible to have such an account in the first place. The Commissioner is able to say to the institution, 'This is your time of transition.' The transition time is a period which is automatically three months on application with a further extension at the discretion of the Commissioner.

In relation to clause 9, the transitional provision allows persons to inform financial institutions that they require interim exempt accounts. Therefore, it is possible that persons who are ineligible for exempt accounts will improperly obtain them. It is expected that the Commissioner will require some time to process these notices. In the meantime, persons who should not have had such accounts but who do may be avoiding the incidence of duty. Clause 9, in effect, closes that loophole by giving the Commissioner an opportunity to recover an amount equal to the amount of duty that otherwise would have been payable. Again, I do not think it is anticipated that that clause will need to be put into operation. However, the Committee would understand that, if someone wanted effectively to frort the system and somehow claim to be eligible and took recourse on that, the Commissioner would have a problem during the exemption period. Under this system he can ensure that the obligation will be fulfilled whether or not that person is ineligible.

Amendment carried; schedule as amended passed.

Title passed.

Bill reported with amendments.

The Hon. D.C. BROWN: I rise on a point of order, Mr Speaker. At approximately 7 o'clock this morning the Premier quoted from a document. After he finished quoting from that document I asked that, under Standing Orders, the Premier table that document. This afternoon and this evening I have had an opportunity to examine the document and it is apparent to me, and I think it would be apparent to all honourable members if I hold the document up, that a substantial portion of the document has been removed. Therefore, I ask you, Mr Speaker, whether under Standing Orders, first, you will ask the Premier whether a substantial portion of this document was removed before it was tabled

in this House and, secondly, under what provision of Standing Orders and on what grounds the Premier has removed that portion of the document?

The SPEAKER: Because of the extraordinary hours that the House has been sitting and because of the manpower restrictions under which we are labouring, honourable members will have to be patient and wait until I have the appropriate edition of Erskine May and my copy of my ruling before me. The Clerk has gone to obtain both. I thank honourable members for their patience. I make the following ruling on this matter:

1. Early this morning the Premier was asked to table a docket which he had in his hand during the course of debate.

2. He declined to do so at that stage on the grounds that the docket contained certain correspondence that was marked 'confidential' and which referred to the internal affairs of private organisations.

3. Later this morning the Premier tabled docket No. 283C of the year 1982 of the Treasury Department of the State of South Australia marked, 'Proposals for Introduction of Financial Institutions Duty in South Australia'.

4. I have specifically and personally requested of the Premier, the following information although it may be that none of these questions needed to be answered by him:

(a) He explained to me that he had, before tabling the file, removed from it those documents, letters or other memoranda of what he referred to as 'private organisations' which were marked 'Confidential' and which related to their internal affairs.

(b) He did not remove any personal notes.

(c) He did not remove any memorandum or memoranda from Government departments relating to the companies in question or the subject matter in issue.

(d) He further assured me that he did not remove any papers or other writings of a character other than that stated above.

(e) He also told me that he discussed the matter with the Leader of the Opposition before tabling the document.

(f) I point out that it was only because of the extraordinary hours which the House has sat which may have led to the confusion in which some members appear to be that I decided to ask all these questions or, indeed, in perusing Erskine May's nineteenth edition (not to mention the twentieth which we received only last night), any of them.

5. Given this background, I now make the following ruling: Honourable members are, of course, aware that normally dockets referred to and in the hands of Ministers in the course of debate, if called upon to be tabled, can and should be tabled upon request.

6. However, it is clear that such tabling should not include documents which the Minister declares to be of a 'confidential nature'.

7. Most certainly the officers of the Parliament should not be required to become arbitrators in determining degrees of confidentiality, and I rule accordingly.

8. Further, it is quite clear that the Speaker has no power to act as an arbitrator as to whether or not such documents are or are not admissible documents within the meaning of the practice.

This ruling is clearly supported by the practice of the House of Commons as detailed in Erskine May. By reference to the nineteenth edition, especially at pages 431 and 432, the following observations can be noted:

> A document which has been sighted ought to be laid upon the table of the House, if it can be done without injury to public interests.

I should also add at this stage that I also asked that question of the Premier. He replied that it would have done harm to the public interest. The second quote from Erskine May is as follows:

> Documents . . . are not necessarily laid on the table of the House especially if the Minister declares that they are of a confidential nature.
>
> It is the responsibility of the Government and not of the Chair to see that documents which may be relevant to debates are laid before the House and are available to members. It is not for the Chair to decide what documents are relevant. Only when the Speaker himself has control of a document can he be involved in making it available to the House or a Committee.

9. There are numerous other observations in the same learned publication which convince me that the investigation that I have made, and the clear statements of the Premier, leave the matter beyond doubt, and I rule the point of order out of order.

The Hon. D.C. BROWN: I wish to take a further point of order and I thank you, Mr Speaker, for the clarity with which you ruled on my previous point of order. I have also read Erskine May at pages 431, 432 and 433, the nineteenth edition which, I think, is the one you first quoted, not the one that arrived last night. I have also had an opportunity to look at the document involved. I appreciate the detail with which you ruled on the previous point of order, and the point that you made so clearly related to the following sentence from Erskine May on page 431:

> It has also been admitted that a document which has been sighted ought to be laid upon the table of the House, if it can be done without injury to public interests.

I point out that there is no reference to the matter of confidentiality. Whether or not it is a matter of public interest is the issue.

The SPEAKER: Order!

The Hon. D.C. BROWN: Can I complete my point of order, Mr Speaker?

The SPEAKER: No, I ask the honourable member to resume his seat. I have ruled on his point of order, and I have listened to his further point of order with great patience again, just to see that there was nothing that might be said to be hidden in what I had put. This is not a debate. The honourable member raised a point of order, I ruled upon that point of order, I ruled it out of order, I rule that the so-called second point of order is no point of order at all, and to the extent that it is a point of order or that it might even be treated as a point of order, I rule it out of order.

The Hon. D.C. BROWN: I rise on a further point of order, Mr Speaker. The point I was going to make I had not actually made on the second occasion. I was simply quoting from Erskine May to substantiate the point made. My point of order is that I have had the opportunity to go through the document in detail. It does not stand by itself, and if one looks at the correspondence contained in that document, one sees that it is quite clear—

The SPEAKER: Order! The honourable gentleman is now flouting the Chair. I ask him to resume his seat. If he continues with this conduct, I will have no alternative but to take further action.

The Hon. D.C. BROWN: I certainly would not want to flout the ruling of the Chair. I am simply trying to substantiate the point that I understand that you, Sir, made a ruling a few moments ago in some detail, which I accept. It would appear from an examination of the document involved that the material that has been removed goes well beyond the ruling that you made this evening, Mr Speaker, and therefore portions of the document have been removed that do not comply with your ruling.

The SPEAKER: Order! I warn the honourable member for Davenport.

The Hon. J.C. BANNON (Premier and Treasurer): I move:

That this Bill be now read a third time.

Mr OLSEN (Leader of the Opposition): As this measure comes out of the Committee stage, as far as the Opposition is concerned, it is still unsatisfactory, and we are unhappy with it. It is quite obvious that the Government should have accepted the motion to report progress to undertake detailed consultation on this measure and to ensure that a clean Bill was introduced and processed through this Parliament, rather than the position in which we now find ourselves.

Before referring to one or two fundamentals with which we disagree, I would like to put on record our appreciation of the assistance that has been rendered by officers of the Parliamentary Counsel, the Library, and the Treasury. That assistance was certainly appreciated. Regarding the chairmanship of the Committee stage, I believe that the House should acknowledge what could only be described as a sterling effort by the member for Whyalla in his position as Chairman of Committees during this very complicated and difficult debate. I believe that he showed great capacity in that position in what were difficult circumstances from time to time, and the Opposition wants that placed on record.

However, the Opposition is unhappy with this measure as it still does not address the basic errors, fundamental differences and problems have not been addressed. Those fundamental areas are still a matter of disagreement between the Opposition and the Government. Certainly, the Government has no mandate to proceed with this legislation. Interestingly, the Government has accepted two of our amendments and brought in several other duplications of our amendments. It has to be acknowledged, therefore, that at least our role in the debate has been worth while as there are meaningful amendments in the Bill, and the Bill leaves this House in a better condition than when it was when introduced. Therefore, the Parliamentary process and the role of the Opposition has been constructive. I stress that we would have preferred other fundamental changes—

The Hon. J.C. Bannon interjecting:

The SPEAKER: Order!

Mr OLSEN: Such fundamental differences are still the basis of disagreement as the Bill is about to go to another place. After looking at the docket that was tabled, it was interesting to note that much of the correspondence that went to the Premier's office was duplication of correspondence initiated by the Opposition in contacts that we made with a whole range of community groups. For example, pastoral companies wrote to the Premier giving him copies of our comments. Obviously, they were duplicated, but I do not mind that. If the Government is unwilling to do its homework, at least it can recognise that the Opposition is willing to do its homework. That is evidenced by the letters on the file at present.

The Hon. D.C. Brown: Those that are left on it!

Mr OLSEN: Indeed. The Opposition will not support the third reading, which is consistent with our approach. We are opposed to the third reading. The Government does not have a mandate for this measure and the Bill has not been amended satisfactorily and leaves this House in a condition about which we are unhappy. I trust in the process in another place that there will be further amendments, particularly in regard to religious and charity groups, non-profit organisations and sporting groups, a commencement date and a rate. I trust that common sense will prevail in another place before the Bill is returned to this House. Finally, I record the Opposition's appreciation to the staff of Parliament and *Hansard* who have provided sterling support during the passage of the Bill.

The Hon. JENNIFER ADAMSON (Coles): I oppose the third reading. As it comes out of the Committee the Bill still retains many of the unacceptable features—in fact, the fundamental unacceptable features that it had when it went into Committee. The four particular features to which the Opposition objects are the date of commencement and the Government's refusal to extend that date of commencement to 4 February 1984, the reduction of the rate of duty from .04 per cent to .03 per cent in order to at least keep South Australia in line and have some position of competition with the Eastern States, the desirability of excluding charitable organisations from the provisions of the Bill (which was acknowledged by the Government but about which nothing was done) and the refusal by the Government to agree to exempt transfers between accounts of the same person as being non-dutiable.

Probably one of the most disappointing and disillusioning aspects of the debate on the Bill was the refusal by the Government, having accepted the validity of the Opposition's comments at least in relation to charitable organisations, to do anything in this House about altering the situation. I regard that as being an abdication of duty on the part of the Premier. It is particularly reprehensible, considering that the measure is the first new taxation measure to come before this Parliament in 10 years. As the Leader said, the Government has no mandate for this measure.

I particularly resent comments that were made in this Chamber that the Opposition has kept the Government and the staff of this House on their feet for at least two days with barely a break. That is an unacceptable situation. The Government did not need to treat this Bill in the way that it did. It treated it in the same way as it treated the Casino Bill by using its numbers to force debate on an extremely complex and technical matter by people who are close to exhaustion. South Australia deserves better than that, and I protest in the same way as I did in regard to the Casino Bill. Had this been carefully thought through, had we had the same amount of time, but spread over the normal working day and night, instead of all through the night, there could well have been a greater readiness on the part of the Government to accept what it recognised as being valid arguments. The fact that the Government has refused to do anything about those arguments is I think a sad reflection on the Premier and the people who support him.

The Hon. G.F. Keneally interjecting:

The Hon. JENNIFER ADAMSON: Perhaps if the Minister had wanted to speak he could have participated.

The SPEAKER: Order! Interjections are out of order. This is not an Address in Reply debate.

The Hon. JENNIFER ADAMSON: Finally, it is noteworthy that, although members of the Government were very forthcoming with their interjections, only one of them participated, and briefly, in the debate. One can hardly wonder at that, because it is hardly a measure that members of the Government would want to go out into the community and support. I oppose the Bill.

Mr LEWIS (Mallee): I want to lend my support to the remarks made by my colleagues at the third reading of this measure as it comes out of Committee. The very shortest title in relation to the Bill is the f.i.d. Bill. We all know what AIDS stands for: this is the financial immune deficiency syndrome.

The SPEAKER: Order! The honourable gentleman is already out of order. I ask the member for Mallee to address himself to the third reading.

Mr LEWIS: The manner in which the Government has handled the measure through both the second reading (without speakers from the Government) and the Committee stages clearly indicates the contempt with which the Labor Party treats this Chamber and this Parliament. It mocks the Parliament and the Parliamentary process.

The SPEAKER: Order! I ask the honourable gentleman to please address himself to the third reading.

Mr LEWIS: The principle by which the Bill has been derived to this point is bad. The Bill itself as it now stands contains mistakes and inadequacies, as has been admitted by the Government, and it is needy of further change before becoming an Act and is proclaimed as law. It is not a just Bill; it is not right and it is not fair.

The SPEAKER: Order! I call the honourable gentleman to order.

The Hon. J.C. BANNON (Premier and Treasurer): Naturally, I support the Bill as it comes out of Committee. I think it has come out of Committee improved. It has been improved, first, as a result of the Government's willingness to incorporate amendments which were suggested to it by institutions that we consulted to clarify or ensure that certain administrative and other matters were put beyond doubt in the measure.

It has been improved because we have been able to accept a number of amendments moved by the Opposition; that is quite appropriate. The Opposition had this Bill for about 10 days before it came on for debate in this place. During that time it was the Opposition's responsibility to do its own analysis of the Bill and move amendments. Naturally, some of those amendments were unacceptable: they affected the policy and the purposes of the Bill and the yield that the Government would have received. I do not think that the Opposition could be very surprised by that. That having been said, the Bill has been improved by Committee consideration. Let me say further that the time taken by the Committee was not commensurate with the improvements in the Bill. All that it was necessary to achieve could well have been achieved in matters of substance—

The SPEAKER: Order! Will the Premier come back to the third reading?

The Hon. J.C. BANNON: The Bill as it comes from Committee reflects changes and improvements that have been made, as is right and proper with any such measure, but it would have taken far less time if the Opposition had directed itself to those matters of substance and had not, particularly in the early stages of its consideration, proceeded to filibuster.

The House divided on the third reading:

Ayes (20)—Mr Abbott, Mrs Appleby, Messrs. L.M.F. Arnold, Bannon (teller), M.J. Brown, Crafter, Duncan, Gregory, Groom, Hamilton, Hemmings, Hopgood, and Keneally, Ms Lenehan, Messrs Mayes, Payne, Plunkett, Trainer, Whitten, and Wright.

Noes (18)—Mrs Adamson, Messrs. P.B. Arnold, Ashenden, Baker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Rodda, Wilson, and Wotton.

Pairs—Ayes—Messrs Ferguson, Klunder, Peterson, and Slater. Noes—Messrs Allison, Becker, Blacker, and Oswald.

Majority of 2 for the Ayes.

Third reading thus carried.

BILLS OF SALE ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. G.J. CRAFTER (Minister of Community Welfare): I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The Bills of Sale Act was enacted in 1886. The legislation has been criticised as being complex and anachronistic, and for this reason the South Australian Law Reform Committee has a reference to undertake a thorough review not only of bills of sale but also of the related areas of stock mortgages, wool liens and liens on fruit. The proposed Bill is not an attempt to preempt changes in the law which might be recommended by the Law Reform Committee. It is a Bill designed to remedy problems which the Registrar-General has encountered in the day-to-day administration of the Act, problems which it was considered should be addressed whilst the Government awaits the report of the Law Reform Committee.

The amendments are of a miscellaneous nature. Matters such as content of the bill of sale, time for registration of bills of sale, extension of time for registration, discharge of bills of sale and provision for a standard paper size are all dealt with. A detailed explanation of the Bill is contained in the clauses notes.

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 specified provisions may be brought into operation at a later date or dates. Clause 3 amends section 2 of the principal Act, the interpretation section, by inserting a definition of a 'dealing with a bill of sale'. This term is defined as meaning a transfer, assignment, extension, variation, correction or discharge of a bill of sale. The expression is used in subsequent clauses of the measure and will be explained by the explanation of those clauses. Clause 4 deletes from section 4, the arrangement section, a reference to Part V of the principal Act. This Part was repealed by an earlier amending Act.

Clause 5 amends section 9 of the principal Act which requires that a bill of sale must state certain specified matters. Paragraph (1) of the section requires the bill of sale to state the names of the grantor and grantee, their residences or places of business and occupations. The remaining paragraphs of the section require the statement of details which in practice, in the case of many bills of sale, are difficult, if not impossible, to state. These requirements (namely for descriptions of the consideration, the personal chattels comprised in the bill, the situation of the chattels and the sums secured by the bill) do not appear in the corresponding legislation in some other jurisdictions (for example, the Australian Capital Territory and the Northern Territory). The clause substitutes for these requirements a requirement that the bill of sale must state the name, place of residence or business and occupation of every attesting witness.

Clause 6 inserts in the principal Act a new section 12b providing that where two or more persons are registered as the grantees of a bill of sale they shall be deemed to be severally as well as jointly entitled to the benefit of the bill except in so far as a contrary intention is expressed in the bill. This provision is designed to assist in the determination of the question whether a bill is held on joint account and, therefore, whether a discharge of the bill or other dealing with the bill must be signed by all grantees or may be signed by one or more of the grantees.

Clause 7 amends section 13 of the principal Act which requires the execution of a bill of sale or any transfer or discharge of a bill of sale to be attested by one or more

witnesses. The clause amends this section so that the requirement for attestation extends to all dealings with a bill of sale (as defined in clause 3). Clause 8 repeals section 14 of the principal Act which provides for proof of the execution of a bill of sale or transfer or discharge of a bill of sale before a Registrar, justice of the peace, commissioner or notary public. This step is considered to be unnecessary in the context of bills of sale.

Clause 9 substitutes for section 17 a new section the effect of which is to extend the period for registration of a bill of sale from the existing period of 30 days from the making of the bill to a period of 60 days. Clause 10 makes a consequential amendment to section 17a. Clause 11 inserts a new section 17b. Section 17b empowers the Supreme Court to extend the time for registration if it is satisfied that the failure to register within the required time was accidental or that on other grounds it is just and equitable to grant relief. An extension may be granted on such terms and conditions as the Court thinks just.

Clause 12 amends section 18 which provides that bills of sale are to be registered in the order of time in which they are porduced for that purpose and shall be entitled to priority according to the date of registration. The clause amends this section to make it clear that the relevant time is the time at which a bill of sale is produced in registrable form and that priority may be determined according to the time (rather than the date) of registration. Clause 13 makes an amendment to section 19a that is consequential upon the amendment proposed by clause 17.

Clause 14 provides for the repeal of sections 19b and 19c which provide for a discretion in the Registrar to allow late renewal of a bill on the grounds of accident or inadvertance and an appeal to the Supreme Court or local court against refusal to allow late renewal. The clause inserts a new section 19b which corresponds to the proposed new section 17b relating to late registration. Clause 15 amends section 20 of the principal Act which provides that a bill of sale may be transferred or assigned by endorsement on the duplicate bill of sale in the form of the fifth schedule. The clause amends the section so that it is clear that a transfer or assignment of a bill of sale may be effected by a separate instrument.

Clause 16 substitutes new sections for sections 21, 22 and 23. New section 21 provides for extension of the time for repayment under a bill of sale. Under the new section it is made clear that this may be effected by endorsement on the duplicate or by separate instrument and in any effectual way selected by the parties. The new section also provides for any variation or correction of a bill of sale to be effected in the same way. The new section requires that any such endorsement or instrument must be signed by the parties to the bill. New section 22 makes it clear that a bill of sale may be wholly or partially discharged and that personal chattels comprised in a bill may be discharged or partially discharged.

Under the new section, such discharge may be effected by endorsement on the duplicate in the form of the fourth schedule or by separate instrument, in either case, signed by the grantees, or where a bill is held on joint account, by one or more of the grantees. New section 23 provides for the registration of any dealing with a bill of sale. The new section makes it clearer that registration of subsequent dealings with a bill of sale is not necessary in order for the dealing to be effectual. Under the new section, the registration procedure is extended to all subsequent dealings with bills of sale, that is, transfers, extensions, variation, corrections and discharges. The section, in addition, authorises any dealing to be effected by endorsement on the original bill in any case where the duplicate has been lost or destroyed and provides that the Registrar may, in such circumstances, dispense with the requirement that the duplicate be produced for the purposes of registering a dealing with the bill.

Clause 17 amends section 25 which authorises the Registrar to correct any error or omission in the registration of a bill of sale or transfer, renewal or discharge of a bill. The clause extends this provision so that it applies to the registration of bills and the registration of all dealings with a bill of sale. Clause 18 makes amendments to section 28 of a consequential nature only. Clause 19 removes the heading to Part V, all of the provisions of which were repealed by an earlier amending Act. Clause 20 repeals section 35 of the principal Act. This section fixes the fees that may be charged by legal practitioners or land brokers for preparing documents under the Act at levels set out in the seventh schedule.

Clause 21 inserts new sections 38a and 38b. New section 38a requires that bills of sale and other instruments to be lodged for registration under the Act must conform to requirements under the regulations as to paper size and quality. The new section authorises the Registrar to dispense with such requirements in such circumstances as he thinks fit. New section 38b authorises the Treasurer, in any case where the grantee of a bill of sale is dead, cannot be found or is incapable of executing a discharge of a bill of sale, to receive moneys payable to the grantee under the bill and, where all such moneys have been paid, to execute a discharge of the bill. The new section provides that moneys received by the Treasurer are to be held by him on trust for the grantee or any other person entitled to the moneys. Under the section a discharge executed by the Treasurer does not discharge any personal covenants of the Bill. Clauses 22, 23 and 24 make consequential changes to the schedules to the principal Act.

MAGISTRATES BILL

The Legislative Council transmitted a Bill for an Act to provide for the appointment of magistrates; to provide for the organisation or regulation of the magistracy; and for other purposes. The Legislative Council drew to the attention of the House of Assembly clause 13 printed in erased type, which clause being a money clause cannot originate in the Legislative Council but which is deemed necessary to the Bill.

Bill read a first time.

The Hon. G.J. CRAFTER (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 provides for the removal of magistrates from the Public Service. The Government considers that this is an important step and one that is necessary to ensure that this significant branch of the Judiciary is and appears to be independent of the Executive. The concept of judicial independence is fundamental to our system of justice. It requires independence of individual judicial officers and collective independence of the Judiciary.

Since 1976, the significance of the position of magistrates as public servants has been considered by the Full Court of the Supreme Court on three occasions. In 1976, in *Fingleton v. Christian Ivanoff Pty Ltd* two judges of the court said,

> there are strong grounds for maintaining that no person holding judicial office should be in the Public Service, more especially if he or she has to hear and determine prosecutions or civil causes in which the Crown or some instrumentality thereof is a party (*a fortiori* when Crown counsel appears).

In 1977 in *Lyle v. Christian Ivanoff Pty Ltd*, the court held that a magistrate was not disqualified from hearing a complaint just because the justice of the peace who received the complaint, counsel for the complainant and the magistrate all were subject to the Public Service Act. In 1982 in *The Queen v. Moss; ex parte Mancini* three members of the Full Court thought that a magistrate who is a public servant could be taken to be biased with respect to a complaint laid on behalf of the Executive. However, four judges of the five hearing the matter considered that Parliament had sanctioned magistrates who were public servants determining such matters.

In New South Wales recently, in Tasmania in 1969, in the Northern Territory in 1976, in the A.C.T. in 1977 and in Western Australia in 1979, the magistracy was removed from the Public Service. The time is overdue in South Australia for this step to be taken. In dealing with the removal of magistrates from the Public Service, the Bill also goes on to provide for a system of administration of the magistracy that is properly independent of Executive Government. It ensures, as is the case with other branches of the Judiciary, that the levels of remuneration applying in respect of the magistracy are not to be subject to reduction by Executive action. It secures the tenure of office of magistrates and establishes appropriate disciplinary procedures. Finally, the Bill sets out rights in respect of long service leave, recreation leave, sick leave, special leave and superannuation that correspond to those currently applying to magistrates.

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 provides definitions of terms used in the measure. Clause 4 is a transitional provision. Under the clause, stipendiary magistrates in office immediately before the commencement of the measure retain their existing and accruing rights in respect of recreation leave, sick leave and long service leave.

Clause 5 provides for the appointment of magistrates by the Governor upon the recommendation of the Attorney-General. Under the clause, a person appointed to be a magistrate shall, if the instrument of his appointment so provides, be a stipendiary magistrate, or, if the instrument so provides, an acting magistrate with a term of office not exceeding three months. Subclause (4) requires the Attorney-General to consult with the Chief Justice before recommending an appointment. Subclause (5) provides that a person must be a legal practitioner of not less than five years' standing to be appointed a magistrate.

Clause 6 provides for the hierarchy within the magistracy. Under the clause, there is to be a Chief Magistrate, a Deputy Chief Magistrate and such supervising magistrates as the Attorney-General determines, each of whom must be a stipendiary magistrate. Subclause (5) provides that a person may resign from an office provided for by the clause but remain a stipendiary magistrate. Notice of such resignation must be of a period of at least one month.

Clauses 7 and 8 provide for the distribution of administrative responsibility in respect of the magistracy. The Chief Magistrate is to be responsible for the administration of the magistracy subject to the control and direction of the Chief Justice. The Deputy Chief Magistrate may act in the absence of the Chief Magistrate. Provision is made for delegation by the Chief Magistrate. Clause 8 provides that a stipendiary magistrate or acting magistrate is to be responsible to the Chief Magistrate in relation to all administrative matters and, in particular, is to be subject to direction by the Chief Magistrate as to the duties to be performed and the times and places at which the duties are to be performed. The clause provides that a magistrate other than a stipendiary or acting magistrate is to have the same responsibility but only in respect of those magisterial functions that he has consented to perform.

Clause 9 sets out the circumstances and manner in which a person ceases to hold office as a magistrate, namely, by resignation or by retirement after attaining the age of 55 years (notice in either case being required to be of a period of at least one month), or upon the magistrate attaining the age of 65 years, or, in the case of an acting magistrate, upon the expiration of his term of office, or, finally, upon removal from office by the Governor. The clause also provides that a stipendiary magistrate may, with the consent of the Attorney-General, resign from his ofice as a stipendiary magistrate without ceasing to hold office as a magistrate.

Clause 10 provides that the Governor may, on the advice of the Chief Justice, suspend a magistrate from office, if the Chief Justice is of the opinion that there are reasonable grounds to suspect that he is guilty of an indictable offence or if an investigation or inquiry has been commenced under clause 11 as to whether proper cause exists for removing the magistrate from office. Under the clause, a magistrate is to be given notice of his suspension and, unless the Chief Justice determines otherwise, is to continue to be remunerated.

Clause 11 provides that the Attorney-General may of his own motion, and shall, at the request of the Chief Justice made after consultation with the Chief Magistrate, conduct an investigation to determine whether proper cause exists for removing a magistrate from office. A report upon the results of any such investigation is to be made to the Chief Justice and the Chief Magistrate. Subclause (3) provides that the Chief Justice or the Attorney-General may determine that a judicial inquiry be held into the conduct of a magistrate, and, in that event, the Attorney-General is to make application for the inquiry which, under subclause (4), is to be conducted by a single judge of the Supreme Court.

Subclause (5) provides that the Attorney-General shall apply to the Full Court of the Supreme Court for a determination whether a magistrate should be removed from office in any case where the magistrate is convicted of an indictable offence or it appears from the findings of a judicial inquiry that proper cause exists for his removal from office. Where the Full Court finds that a magistrate should be removed from office, the Governor is empowered to remove him from office. The Attorney-General and the magistrate affected by proceedings before the Supreme Court may appear and be heard in the proceedings. Under subclause (8), proper cause exists for removing a magistrate from office if he is mentally or physically incapable of carrying out satisfactorily the duties of his office, if he is convicted of an indictable offence, if he is incompetent or guilty of neglect of duty, or if he is guilty of unlawful or improper conduct in the performance of his duties of office.

Clause 12 provides that a magistrate shall not be removed from office except as provided by the clauses outlined above. Clause 13 provides that levels of remuneration for the various offices within the magistracy are to be as determined by the Governor but are not to be subject to reduction. The clause provides for the automatic appropriation from general revenue of the remuneration payable to magistrates. Clause 14 provides that a stipendiary magistrate is to continue to be able to participate in the superannuation scheme provided for under the Superannuation Act, 1974.

Clause 15 provides for recreation leave for magistrates. This is to be 20 days for each completed year of service. Recreation leave is to be taken at times approved or directed by the Chief Magistrate but is not to be deferred for more than one year after it falls due to be taken unless the Chief Magistrate is satisfied that there are special circumstances justifying the deferral and, in any event, is not to be deferred for more than two years. A person ceasing to be a magistrate

is to be entitled to a payment in lieu of any recreation leave to which he has become entitled but not taken before ceasing to be a magistrate.

Clause 16 provides for sick leave for magistrates. This is to be 12 days for each completed year of service, a proportionate entitlement accruing for each completed month of service. Clause 17 provides for long service leave for magistrates. This is to be 90 days leave in respect of the first 10 years of service; in respect of each subsequent year of service up to and including the fifteenth year of service—nine days leave; and in respect of each subsequent year of service thereafter—15 days leave. The clause provides for the taking of long service leave at half pay, in which case the period of the leave is doubled. The clause provides for a payment in lieu of long service leave where a person ceases to be a magistrate without having taken long service leave to which he has become entitled. The clause also provides for a pro rata payment in respect of long service leave where a person ceases to be a magistrate after completing seven years service but before becoming entitled to long service leave.

Clause 18 provides that the Chief Magistrate may grant special leave to a magistrate for any reason that, in the opinion of the Chief Magistrate, justifies the leave. This may be with or without remuneration as the Chief Magistrate thinks fit and for any period not exceeding three days in any financial year. Special leave beyond three days in a financial year may be granted but only with the consent of the Governor. Clause 19 provides that the Attorney-General may determine that a person appointed to be a stipendiary magistrate shall be credited with recreation leave, sick leave or long service leave rights accrued in respect of previous employment or with service in previous employment for the purposes of determining such leave rights or rights in respect of superannuation.

Clause 20 provides for the payment where a stipendiary magistrate dies while in office of an amount representing the monetary equivalent of recreation leave or long service leave owing to him before his death or the monetary sum representing pro rata long service leave where the deceased magistrate had not less than seven years service but had not become entitled to long service leave. Under the provision, the Attorney-General may direct that an advance payment be made to dependants of the deceased pending the administration of his estate. Clause 21 provides that no award or industrial agreement shall be made under the Industrial Conciliation and Arbitration Act affecting the remuneration or conditions of service of stipendiary magistrates. Clause 22 provides that a judge of the Supreme Court, Master of the Supreme Court or District Court judge may exercise the jurisdiction, powers or functions of a magistrate.

The Hon. B.C. EASTICK secured the adjournment of the debate.

STATUTES AMENDMENT (MAGISTRATES) BILL

Received from the Legislative Council and read a first time.

MARKETING OF EGGS ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

ADJOURNMENT

At 9.46 p.m. the House adjourned until Tuesday 15 November at 2 p.m.