

LEGISLATIVE COUNCIL.

Thursday, November 26, 1953.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2 p.m. and read prayers.

ASSENT TO ACTS.

His Excellency the Governor intimated by message his assent to the following Acts:—Savings Bank of South Australia Act Amendment, Building Contracts (Deposits), Public Service Act Amendment and Fruit Fly Act Amendment Acts.

**COLLECTIONS FOR CHARITABLE
PURPOSES ACT (RED CROSS
SOCIETY).**

The Hon. A. L. McEWIN (Chief Secretary)
—I move—

That this House approves of the making of a proclamation under section 16 of the Collections for Charitable Purposes Act, 1939-1947, in the following form:—

*Proclamation under the Collections for
Charitable Purposes Act, 1939-1947.*

South Australia, to wit. Proclamation by His Excellency the Governor of the State of South Australia.

By virtue of the provisions of the Collections for Charitable Purposes Act, 1939-1947, and all other enabling powers, I, the said Governor, with the advice and consent of the Executive Council, being satisfied that money to the amount of twenty-seven thousand and thirty-four pounds six shillings and eightpence (£27,034 6s. 8d.) held by the Australian Red Cross Society, a body corporate incorporated by Royal Charter and a body to which a licence has been issued under the said Act for certain charitable purposes within the meaning of the said Act, are not and will not be required for those purposes, do hereby declare that the said money shall be applied by the said Australian Red Cross Society to its general purposes in South Australia.

The making of this proclamation has been approved by resolution of both Houses of Parliament.

Given under my hand and the public seal of South Australia, at Adelaide, this day of
1953.

By command,

A. LYELL McEWIN, Chief Secretary.

C.S.O., 70/1953.

GOD SAVE THE QUEEN!

Probably it is already known to members that soon after the war the Red Cross Society collected certain money which was to be devoted to the building of a hospital at Daw's Road for the treatment of tubercular soldiers. At that time it was expected that, because of the conditions in areas where our troops were engaged against the Japanese, the incidence of tuberculosis would be higher than normal. As has turned out, probably fortunately, because of the difficulty in securing a

building permit the project was not proceeded with, and then it was ascertained that the worst expected had not happened and that the hospital was not necessary. The society then asked that the money should be diverted to some other purpose, in a letter dated January 29, 1953, which contained the following:—

In 1945 the Deputy Director of Medical Services of the Australian Army approached this society and said that owing to the rigours of the campaign in New Guinea and the Pacific and the toll of climatic and other conditions and also because of the shocking conditions to which prisoners of war were subjected a high incidence of tuberculosis amongst ex-servicemen was expected by medical authorities. This society was therefore requested to consider building and completely equipping a tuberculosis hospital and sanatorium of approximately 120 beds . . .

The society was unable to obtain a building permit in 1946 or 1947, but in 1948 a permit was issued, tenders were called and an estimate of approximately £370,956 on the rising wage market of that time was obtained. This estimate with all its implications placed the proposal beyond the capacity of the division . . .

By this time the society had made public appeals for funds and the sum of £27,034 6s. 8d. was subscribed by the general public for the erection and equipping of the hospital and sanatorium. This amount of money is still held by the society for the specific purpose for which it was subscribed . . .

Events have shown that the incidence of tuberculosis among ex-service personnel was substantially less than anticipated and the repatriation authorities at the present time find that they are able to provide ample comfort and treatment at the Springbank Repatriation Hospital and the "Birralee" home. It appears certain now that a special hospital for ex-servicemen personnel will not be needed or built and that none of the money specifically subscribed to the Red Cross Society as mentioned above can now be used for the purpose for which it is held.

I need not read the whole of the letter which goes on to relate how the society had assisted the T.B. Soldiers Aid Society to the extent of £8,500 in obtaining premises at Browns Creek, and it was considered that the balance of £18,000 in hand could be appropriately given to assist the Blood Transfusion Service. The matter was referred to the Advisory Committee on Charitable Collections, which recommended that the most appropriate way to deal with the money was to transfer it to the general funds of the Red Cross Society, which would cover the assistance already given to the T.B. Aid Society, and it could of its own volition use the balance to assist the Blood Transfusion Service. I commend the motion to the favourable consideration of members.

The Hon. F. J. CONDON secured the adjournment of the debate.

WORKMEN'S COMPENSATION ACT
AMENDMENT BILL.

Second reading.

The Hon. A. L. McEWIN (Chief Secretary)
—I move—

That this Bill be now read a second time.

As honourable members know, the Bill is for the purpose of carrying into effect the recommendations made by the Workmen's Compensation Committee appointed by the Government. The committee consists of representatives of employers and employees, and as its report has already been placed in *Hansard* it is unnecessary to repeat it.

The committee has reviewed all the principal rates of compensation mentioned in the Act and has made suggestions for increasing them. In doing so the committee has taken into account the fact that since the amending Workmen's Compensation Bill of 1951 was passed the living wage has increased by 25 per cent and has also paid regard to the rates of compensation payable under the laws of the other States. The committee has also made some allowance for the possibility that the rates in some of the other States may be increased this year; but at the time when the committee made its report the only State which had passed an Act this year was Victoria. As the committee is a permanent one and will review the compensation from time to time it is not to be expected that this Bill will finally settle all the problems. Apparently it limited itself to recommending such increases as it thought were clearly justified at the time of its report. The details of the Bill are as follows:—Clause 3 provides that compensation will be payable in respect of injuries received by a workman on journeys to and from work where the journey is taken by a means of transport provided by the employer, or provided under arrangements made by the employer. Compensation will also be payable for injuries received by workmen on journeys taken during working hours between the place of employment and any trade or other school which the workman is required by law or requested by his employer to attend. The committee, of course, was aware that precedents existed for giving a right to compensation where an injury occurs on any of the workman's ordinary daily journeys to or from work, but a majority of the committee thought that this was wrong in principle, and notwithstanding the existence of some precedents was not prepared to recommend it.

Clause 4 deals firstly with the earnings limit of workmen who are within the scope of the workmen's compensation legislation. At present a man whose average weekly earnings exceed £24 is not entitled to compensation. The committee recommended that the figure of £24 should be raised to £33. In doing so it was influenced by information showing that £24 a week was insufficient to cover the earnings of some classes of manual workers. The committee thought that the limit should be high enough to ensure that persons employed in manual occupations, which have always been regarded as coming within the scope of the Act, would not, in future be excluded. The figure of £33 a week is equivalent to approximately £1,750 a year which is in force in some other States, and is considered high enough to include all manual workers. Another amendment made to the definition of "workman" is a new provision for clarifying the meaning of the expression "average weekly earnings." For very many years the question whether a workman came within the Act or not has depended upon his "average weekly earnings," but it has never been quite clear over what period the average is to be taken. It is proposed in the Bill to provide that the average weekly earnings of a workman for the purpose of determining whether he is under the Act or not will be computed in the same way as his average weekly earnings are computed for the purpose of ascertaining compensation for incapacity. The method proposed is that the average weekly earnings for the 12 months preceding the relevant time are taken, and if the man has been employed for less than 12 months his average weekly earnings for the actual period of his employment are determined. If the period of a workman's employment is so short that his actual average weekly earnings cannot be ascertained, the earnings of other people in the same grade and the same work will be looked at.

Clause 5 raises the amount of compensation payable on death. At present the maximum is £1,500, plus £50 for each dependent child under 16. In accordance with the committee's recommendations it is proposed to increase this to £2,000, with an allowance of £75 for each child. Clause 6 deals with the amount allowable for funeral expenses where an unmarried workman dies without dependants. In view of the increased cost of funerals the Bill raises this allowance from £30 to £40. Clause 7 makes substantial increases in the amount both of the weekly payments and the

total compensation payable for incapacity. The maximum amount of compensation for incapacity, which at present is £1,750, is to be raised to £2,250. The maximum weekly payment for a workman with dependants is raised from £11 to £12 and in working out the weekly payment the amount allowed for a wife will be increased from £1 10s. to £2, and the amount for a child from 10s. to 15s. The maximum weekly payment for a workman without dependants is raised from £8 to £8 15s.

Clause 8 raises the total amount of the allowance for medical expenses from £75 to £100. The increase of £25 will be appropriated towards raising the maximum amount of the allowance for general medical expenses from £35 to £40, and the maximum amount for hospital fees from £30 to £50. In addition, clause 8 provides that travelling expenses or costs of living away from home incurred by the workman in connection with obtaining a medical examination or medical treatment will be included in the allowable amount of medical expenses, and that if an injury necessitates repairs to spectacles or hearing aids the cost of these repairs will also be included.

Clause 9 provides that the payments as compensation for the scheduled injuries set out in section 26 of the principal Act will in future be based on a maximum of £2,250 instead of £1,750 as at present. Clause 10 provides that the Bill will apply only to future accidents, subject, however, to the qualification that persons who are receiving weekly payments for incapacity at the time of the passing of the Bill will receive the increased rates of such payments as soon as the Bill comes into force. I commend the Bill to the favourable consideration of members.

The Hon. F. J. CONDON (Leader of the Opposition)—I support the Bill, and am pleased to know that this is to be a permanent committee. Whilst this measure improves the legislation there is still room for further improvement. The greatest anomaly and injustice in workmen's compensation today is the deduction of weekly payments from the total compensation. If a man loses a leg or an arm or receives some other injury specified in the Act, the maximum weekly amount he can receive under this Bill is £12. He may be away from work and receiving compensation for 12 months, and when it comes to an adjustment this £12 a week is deducted from the total compensation. I have known of cases where men have lost limbs or fingers and have not received anything in the adjustment simply because the amount available has

been absorbed by weekly payments. That is entirely wrong, and is one of the biggest injustices we have to face. A man should not be penalized when he is unfortunate enough to lose a limb. I hope the committee will consider this matter, because such a provision does not operate in other States.

The Hon. N. L. Jude—Does the member suggest it is cheaper to be killed?

The Hon. F. J. CONDON—I suggest that the dependants should receive some consideration. In many cases wives of workmen, although they may have three or four children, are forced to earn a living for the family because they have not received reasonable consideration under the law.

The Hon. E. Anthoney—Wouldn't these workmen be entitled to compensation?

The Hon. F. J. CONDON—Yes, but that is not the point. If a man loses a leg why should he be penalized because he receives a weekly payment while he is away from work? Recently a man who had worked for eight hours was asked by his employer to work another shift, and at 7 o'clock he wanted a meal so asked the employer for permission to leave the factory to obtain it, there being no canteen on the premises. His employer gave permission, but asked him to return as quickly as possible. On the way he met with an accident, and when I made a claim on his behalf the insurance company denied liability. This man was doing a service to his employer by helping to keep the wheels of industry running yet he was not entitled to compensation for his injuries. That is a case which should be considered, and although the committee has done something about it I would like the position clarified because I do not think what has been done meets the position.

The Hon. C. D. Rowe—He would have his remedy at civil law if the accident were not his fault.

The Hon. F. J. CONDON—But he would be put to legal expenses to fight the case and would have to wait for 12 months to obtain a decision. Two years ago this Council, against the Opposition's wish, carried amendments to reduce certain payments. Under the Bill it is provided that three-quarters of a workman's earnings are to be paid, plus £2 a week for a wife and 15s. for a child. If a workman is receiving £17 or £18 a week, because of the £12 maximum he does not receive anything for his family.

The Hon. N. L. Jude—You have not included the shearers.

The Hon. F. J. CONDON—They are entitled to all they earn, particularly in view of the price of wool in the last few years.

The Hon. N. L. Jude—I did not say they were not.

The Hon. F. J. CONDON—I know many men who worked 16 hours a day to keep industry going who did not receive £30 a week. Some industries with which I am associated had employees earning £33 or £34 a week, but they had to work hard and did not come under the Act. Under this Bill the man with a family will not get reasonable consideration.

The Hon. E. Anthoney—What compensation would the member get if anything happened to him?

The Hon. F. J. CONDON—I would not lose my salary as the unfortunate workman does. Is not an injured workman entitled to the same wages as when he is working? The accident from which he is suffering is not his fault. I know of men who have pleaded with their doctors to be allowed to return to work because they could not make ends meet on the payments they were receiving. Therefore, I hope that the Advisory Committee will consider my second point, namely, that the injured person should not be at a disadvantage.

I have been associated all over Australia with workmen's compensation matters, and although one must admit that considerable improvements have been made over a period of years, our Act is still far behind those of other States. I am pleased, however, that the committee has made recommendations and I will be pleased to know further that it will consider others and ask those associated with industry on either side to submit suggestions. I support the second reading.

The Hon. S. C. BEVAN (Central No. 1)—I, too, support the measure and would like to offer some suggestions for future consideration. Unfortunately, suggestions I have submitted in previous debates have not been given effect to, and the present rates, even although fixed as recently as 1951, are out-dated compared with what prevails generally throughout Australia. Therefore, there is no doubt that increases are justified. Clause 3 provides for compensation to a workman injured whilst travelling to his place of employment in a conveyance supplied by or arranged for by his employer. However, I doubt whether at law the position would be as outlined by the Chief Secretary, for I have formed the opinion that although the intention is to cover the workman both to and from his place of employment in fact the clause provides cover only one way.

The Hon. C. D. Rowe—Perhaps a drafting improvement could be made?

The Hon. S. C. BEVAN—I was about to offer that suggestion. The phrase used is "between his place of abode and his place of employment." In my view that can mean only one thing.

The Hon. C. D. Rowe—I think it is clear that it means both ways; that was not the point I had in mind.

The Hon. S. C. BEVAN—I do not agree that it is clear. I feel confident that if a case were fought in the courts it would be interpreted as meaning only one way.

The Hon. E. Anthoney—That is what the clause says, anyway.

The Hon. S. C. BEVAN—The clause should read "to and from" so as to obviate any possibility of legal argument. I had hoped that the measure would provide cover for the employee going to and from his employment whatever kind of conveyance was used. A considerable number of workmen use their own bicycles, and, with the increasing traffic of today, a man can easily be injured practically at the front gate of his place of employment, or even at the front gate of his residence. Clause 4 increases the permitted amount of earnings from £24 to £33 a week, thus bringing within the scope of the Act higher paid workers previously excluded. This is a definite and welcome advance. Clause 5 increases the compensation payable to dependants on the death of a workman from £1,500 plus £50 for each dependant child under 16, to £2,000 plus £75 for each child and, compared with the amounts provided in other States, this is not excessive. In Victoria it is £2,240, in New South Wales £2,000, and Tasmania £1,750, and I understand that in both New South Wales and Western Australia the Acts are being reviewed and that the amount proposed in Western Australia is £2,400. Perhaps, in the near future this provision will again be reviewed by the Advisory Committee. Broadly, the increases provided in this measure are in conformity with the increases which have taken place in the basic wage. I have previously suggested that the weekly payments for compensation should represent the average weekly wage of the employee involved in an accident. If a man's normal weekly wage under an industrial award or determination is £14 for a 40-hour week, that should be the compensation he should receive. A workman who meets with an accident during the course of his employment should not suffer a financial loss because in many cases his expenses as a result of that accident increase.

The Hon. C. D. ROWE—Does the amount of £12 a week include payments for his wife and dependants?

The Hon. S. C. BEVAN—A workman cannot receive one penny more than the maximum of £12. It does not matter if he is a married man with several children, if he receives £12 a week he cannot receive any payment for his dependants.

The Hon. C. D. ROWE—The maximum amount is close to the basic wage.

The Hon. S. C. BEVAN—It slightly exceeds the basic wage, which is £11 11s. The maximum amount an injured workman with no dependants can receive is £8 15s. Why should a workman suffer financial loss because he has unfortunately met with an accident during the course of his employment? Where a man suffers a disability for which the payment of a lump sum is provided he should receive that amount in a lump sum and not an amount less the weekly payments he has received. The workman should be entitled to receive the disability allowance prescribed in the Act and I hope the advisory committee will consider that point. The Bill increases the maximum payments for medical, hospital and funeral benefits. Hospitalization can be extremely expensive, particularly to a workman who has met with a serious accident which necessitates his confinement to hospital for a lengthy period. The maximum amount he can receive as hospital expenses is £50, but that would be insufficient if he suffered a severe accident. A workman, through taxation, subscribes to social services. Under the Social Services Act a person can receive increased payments as hospital benefits if he subscribes to an approved association. If he is a married man it costs him about 3s. a week. If a workman is in receipt of workmen's compensation he is not entitled to any social service payments despite the fact that he contributes towards them. The advisory committee should seriously consider deleting the provision of any maximum payment for hospitalization. If a man's hospital expenses are £150 he should be entitled to recover that amount. I support the second reading.

The Hon. C. D. ROWE (Midland)—I have listened with great interest to members who have spoken on this Bill, which is a specialized measure introduced as a result of recommendations from a committee appointed to advise the Government in connection with problems arising from workmen's compensation. The committee consists of a representative of

employers, a representative of employees and the Parliamentary Draftsman and it is gratifying to note that they reached unanimity regarding their recommendations, which have been included in this measure. The committee has been generous in many respects. I do not propose to discuss the various clauses in detail because I think discussion can better be left to the Committee stages. In general terms the Bill brings our law into line with that existing in other States. I realize that in some respects its provisions are more generous than those existing in some other States.

There are various points of principle and policy on which it would appear the Government and Opposition disagree. I do not profess to have more than a limited experience of workmen's compensation cases and I would not claim the experience of either Mr. Condon or Mr. Bevan who, in the course of their careers, have had to deal in detail with all the problems connected with this legislation. From my limited experience I have found that on all occasions it has been more profitable to the workman to exercise his rights under common law rather than under the Workmen's Compensation Act. In instances I have advised that that should be done to the benefit of the workmen concerned. We should remember that because a man is a workman he does not lose his rights under common law. To that extent it must be remembered that what is allowed under the Act is by no means the limit of his rights. Quite frequently the approach to this matter is along the line that what is set out in the Act represents the complete limit of what he can claim, but that is not the case if the accident is the fault of someone else. The only time compensation is limited to the amount provided in the Act is when the workman is responsible for the accident himself or is guilty of some contributory negligence; when he is the innocent party he has the same civil rights and remedies as any other member of the community. When that is considered it places a different aspect on the whole matter. It has been suggested that a worker should be entitled to receive more than £12 a week for compensation, but as that figure is above the basic wage in this State, he will be able to receive an amount that will enable him and his family to live quite reasonably. This appears to me to be reasonable and generous. Apart from this, there is no reason why a workman should not cover himself further by insurance, to meet any contingencies such as accidents, because many people who are working on their own account have to do so to cover

themselves against any incapacity. They must pay premiums, so there seems to be no logical reason why a workman desiring reasonable cover should not also do so. Because this is a Bill that can be considered in Committee, I do not desire to delay the House further. The committee that has advised the Government has given careful and specialized consideration to the matter, so I have much pleasure in supporting the second reading.

The Hon. Sir WALLACE SANDFORD secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 1) (FEES).

Adjourned debate on second reading.

(Continued from November 25. Page 1625.)

The Hon. L. H. DENSLEY (Southern)—I am pleased to be able to give my full support to this Bill. I think that nearly all sections of motorists from time to time have expressed their preparedness to pay higher registration fees in view of the fact that money raised in this way is placed in a fund and used almost entirely for roads, a system that has given satisfaction to all motorists. The Highways Department, which controls the fund and is responsible for building and maintaining roads, carries out a lot of experimental work, and its guidance and advice is available to the councils to which much of this money is transferred. The department from time to time makes interest-free loans to these bodies to purchase plant, and as a result they are able to carry out work more cheaply and efficiently than they would otherwise be able to do. It is important that the work carried out by municipalities should have careful oversight, because efficiency should be paramount. There is always a desire by councils to obtain as much highways work as they can to enable them to obtain sufficient money to pay for machinery to use for their own purposes.

During the last election campaign the only complaints I heard about the programme of the development of this State were aimed at the condition to which our roads have deteriorated. There were perhaps some unjust expressions on the organization and wastage that appeared to be taking place in the work being done, but whenever the matter was discussed with these people and it was pointed out that money made available for road building was from motor taxation and licence fees, it was universally accepted as desirable that further money should be available. Because of this the people said they were prepared to support increases in

registration fees. Obviously, the basis of road finance should be the revenue obtained from motor registration, and added to that additional money should come from people in proportion to the degree they use the roads. That, of course, involves the petrol tax which is a Commonwealth matter, and a considerable portion of this has been made available for road work.

On many occasions motoring organizations have approached not only the State Governments but also the Federal Government, requesting that more money obtained from petrol tax should be provided for roads; that was the original intention of the tax. Although these requests were made to successive Federal Governments of each political Party, at no time has all the money been made available, although a couple of years ago a more generous allocation was made to the State Governments. This, of course, proved to be totally inadequate. The failure to make the whole of the petrol tax available has forced the States back on their own resources, and they are limited almost entirely to obtaining funds from registration fees and drivers' licences. It has been accepted that for a number of years these charges have been very light, and because of recent increases in costs of labour and materials, the tremendous magnitude of road building and maintenance has been brought very vividly to our notice. In the State we have 400 miles of bituminized roads, 4,000 of penetration bitumen, 13,000 of metal, 8,000 formed roads, and 20,000 unformed, so it can be seen just what a huge task the Highways and Local Government Department and the district councils have. I have not overlooked the fact that councils collect revenue from their own districts for road purposes, but I have been speaking only from the point of view of the whole State in the collection of licence and registration fees and the dispersal of those funds.

Since the war the number of motor cars in this State has almost doubled, commercial vehicles more than doubled, and motor cycles trebled, yet in spite of the additional funds collected the road position has deteriorated. Although wages and prices for all projects and commodities, and also the cost of motor vehicles, have increased, we have had no increases in registration fees. I think it will be agreed that the increases provided in this measure are not as great as other price rises. Nor does it provide the amount of work that the same money did 12 years ago and is

nowhere comparable with the services available from registration fees at that time. On a comparable basis of labour and services I consider we will obtain registration at a cheaper rate than prior to the war, so there is little to complain about, and a great deal to look forward to in the improvement of our roads. The person who has a family car for pleasure purposes will be, perhaps, a little harder hit than others, but even he will be forced to pay only a few shillings a week extra, and the provision of better, longer and more accident-free roads, as we hope will eventuate, will reduce the cost of his motoring by more than the amount of increased fees. We must bear in mind the basic fact that this increased revenue will go into a fund to provide better roads and better motoring for the public.

Some questions have been raised regarding diesel-driven vehicles. Although fees for these vehicles have been increased previously and are to increase again, they have been free of petrol tax. Any petrol-driven commercial vehicle running day and night must pay hundreds of pounds in petrol tax in the course of a year, so I think it is quite equitable that diesel-driven vehicles should pay more. Taking everything into consideration the Bill is very reasonable and I have much pleasure in supporting it.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Interpretation."

The Hon. A. L. McEWIN (Chief Secretary)

I move the following amendments:—

After amended in the first line insert "(a)".

At the end of the clause insert the following passage:—

(b) by adding at the end of the definition of "commercial motor vehicle" the following passage:—The expression "commercial motor vehicle" shall not include—

(a) a vehicle which is fitted with an apparatus of the kind commonly known as a fork-lift, and constructed or adapted solely or mainly for lifting and moving goods by means of the fork-lift:

(b) a vehicle which is fitted with a crane and is constructed or adapted solely or mainly for the lifting and moving of other vehicles or goods by means of the crane.

These amendments give effect to a decision of the Government that mobile cranes and fork-lifts shall not be chargeable with registration fees at the rates proposed for commercial vehicles,—i.e., trucks, vans and the like—but will be on the lower scale applicable to cars

and other passenger vehicles. The reason for granting this concession is that fork-lifts and mobile cranes on the whole do considerably less running on the roads than other goods-carrying vehicles. In fact, they are often used for considerable periods within the confines of private property. It is to be noted that every vehicle with a crane fitted to it will not necessarily receive the concessional rate prescribed in the amendment. In order to obtain the concession the vehicle must be constructed or adapted *solely or mainly* for the lifting and moving of other vehicles or goods *by means of the crane*. An ordinary tray-top truck capable of carrying a load on the tray-top would not obtain the concession merely because it had a crane fitted at the rear for the purpose of assisting to load the vehicle. In such a case it could not be said that the sole or main purpose of the vehicle was to lift and move vehicles or goods by means of the crane, and therefore it would not fall within the scope of the amendment.

The Hon. N. L. JUDE—I am pleased to support the amendment. I indicated yesterday that I thought this charge was a rather severe anomaly. I am pleased also that it will not apply to ancillary cranes placed on the back of units. The amendments clarify the position.

Amendments carried; clause as amended passed.

Clause 5—"Registration Fees."

The Hon. A. L. McEWIN—In paragraph (6c) I move to insert the following subparagraph:—

(e1) Paragraph (13) of section 9 of the principal Act is amended by inserting therein after the word "organization" in the third and fourth lines of subparagraph (a) the words "or by a municipal or district council".

Voluntary fire fighting vehicles belonging to organizations are exempt, but those belonging to district councils are not, and this amendment makes it clear that they will enjoy the same privilege as voluntary organizations.

Amendment carried; clause as amended passed.

Clauses 6 to 9 passed.

New clause 9a—"Duration of Registration."

The Hon. N. L. JUDE—I move to insert the following new clause:—

9a. Section 16 of the principal Act is amended by striking out the words "commencement of the month in" in the fourth and fifth lines of subsection (2) and inserting in lieu thereof the words "day on."

I indicated yesterday the purpose of this amendment. It is to provide that motor

registration licences shall apply for the full term paid for, *i.e.*, from a given day in one year to the same given day the next, instead of from month to month as at present. One of the chief faults of the present system is that it must result in considerable congestion in the department in one part of the month, and as the Government considered it desirable to alter the method in respect of driving licences, and spread them over the year, I think I can reasonably suggest that it would be consistent to do the same in respect of motor registrations.

The Hon. A. L. McEWIN—The amendment creates some problems of administration. The mover says that his suggestion already applies to drivers' licences, but that is not so. They operate only for monthly periods, the same as car registrations.

The Hon. N. L. Jude—I think you misunderstood me.

The Hon. A. L. McEWIN—The honourable member spoke about it at length yesterday and suggested that it is quite a simple matter to overcome, but it is not so simple as he suggests. At present every registration of a motor vehicle runs for six or 12 months calculated as from the first day of the month in which the registration was effected. Thus every registration expires on the last day of a month so that there are only 12 possible expiry dates in each year. The proposal is that a registration shall expire exactly 12 months after the day on which it is effected. Thus there will be approximately 255 possible expiry dates for registrations, there being approximately 255 working days in each year.

I am informed by the Registrar that this amendment would greatly complicate the registration system, increase the amount of work in his office, make the registration provisions of the Act more difficult to police, and increase the likelihood that unregistered and uninsured vehicles might be driven on the roads. I have asked the Registrar to furnish a report to the Government on these points. At present every vehicle carries a registration disc showing the month of registration and a police officer can detect at a glance whether that registration has expired. Under this amendment it would be possible for unregistered vehicles to escape detection.

The Hon. N. L. Jude—A person can lose 15 days on his registration.

The Hon. A. L. McEWIN—If that represents so heavy a burden on any person he should register on the first day of the month.

Under the amendment an unregistered and uninsured vehicle could be driven on the roads. We should not agree to anything which may adversely affect the present provisions relating to insurance on vehicles. Mr. Jude is, I understand, concerned with the fact, which is admitted, that in the first year of the registration of a vehicle the motorist pays the fee for six months or 12 months' registration, but may obtain registration for a period some days short of six or 12 months as the case may be. This is an inevitable result of having a reasonably workable administrative system. If the new clause were carried some motorists would once in a period of years obtain registration for a few days longer than they do now; but the small financial advantage which they gain this way would be more than offset by the higher administrative costs which, of course, in the last analysis fall on the general taxpayer. Owing to the numerous concessional rates and exemptions already prescribed by the Act its administration is already so complicated that it would be highly undesirable to complicate it further. I invited Mr. Morrissey of the Motor Vehicles Department to discuss this matter with me further and he has supplied the following report:—

Our present system makes the use of an unregistered and possibly uninsured vehicle easy to detect, and the police can tell by glancing at the disc on a fast moving vehicle whether it is registered or not. The registration expires on the last day of the month and the insurance 14 days afterwards. Under the proposed method a vehicle could easily be used on a road unregistered, and what would be much more serious, uninsured; as detection would be difficult unless a driver committed a breach of the rules of the road in sight of a police officer or had an accident.

For the past 16 years all motor vehicles (other than a few tractors) have been compulsorily insured against third party risk, and it would seem to me to be a retrograde step to make opportunity for uninsured vehicles to be used on a road. Under the proposed method, supposing the registration of a vehicle expired on the 2nd of a month it could be driven for the remainder of that month unregistered without detection. The owner could then register the vehicle from the 1st of the following month and continue the practice of using his vehicle unregistered for the remainder of the expiry month. In this way the department could continue to lose revenue, whereas under the present system the owner would only lose the use of the vehicle for some days during the first period of registration.

Staff.—Each clerk dealing with registrations has monthly date stamps which are used to show the commencing date and expiry date of registration. The work of effecting transfers of registrations (46,000 during the last 12 months) would necessitate the expiry date

stamps being altered continually, also the calculation of refunds on cancellation of registrations (8,000 during the last 12 months) would take much longer and be more conducive to error. During the last 12 months some 250,000 renewals of registration were effected over the counter or through the mail. The clerks handling all these renewals (which are mostly effected during the last days of each month) would have to exercise a close scrutiny of the forms and the insurance certificates accompanying them to see that the insurance covered the period of registration and 14 days afterwards. This would slow down the work and result in longer delays for the public, and would also require more staff. I fear the insurance companies would not be happy if they had to alter their methods, in order to give the necessary 14 days extra cover, expiring on any date during a month. The department would require more storage space, as each day's transactions would have to be kept separate. At present we are up against it for room in the fireproof room where current forms are housed.

Discs.—All discs for registrations expiring up to 31st December, 1954, are in our strong-room, and the order for the months of January, February and March, 1955, is at present being executed by the manufacturers. To sum up we would need more staff to cope with the extra work and are at present hard up for room. The revenue would possibly be effected detrimentally. Due to the expectant rise in registration and licence fees the department will be rather hard pressed for some time.

Without wishing to reiterate I feel I must mention that the proposal would probably be of only nuisance value to applicants through the mail. As I have pointed out, the insurance must cover 14 days after the expiry of the registration. The difficulty would be to know when the application for registration would reach this office, as a registration cannot be effected until the receipt of the fee.

Although I appreciate Mr. Jude's motive in moving this amendment, actually it would not be of great benefit to anyone but could be a nuisance and present administrative difficulties, particularly in relation to compulsory insurance. Mr. Jude suggested that his amendment would reduce overtime. However, because of the simplicity of the work of the department I can assure members that only a few officers are required to work overtime and then only during the rush periods. I ask the Committee not to accept the amendment.

The Hon. F. T. PERRY—There is a period of time for which the Government charges a registration fee but for which the motorist gets no benefit. If a vehicle is registered on the 25th of a month the owner can lose about three weeks of his registration fee, which is unfair. Whilst that may not have represented very much when the registration was £20 it could be a considerable sum with a fee of £100. The Chief Secretary's contention that

it would be difficult to calculate the amount of registration affected by the fee reverting to the 1st of each month is absurd. I cannot understand why the authorities cannot calculate the amount involved. If three weeks elapse before the owner takes possession of his motor car he should receive three weeks' credit on his registration fee. I support the principle involved in the amendment although I do not support the amendment in its present context.

The Hon. N. L. JUDE—I am sorry I did not confer with Mr. Perry before introducing this amendment because his suggestion is far better than my amendment. If he could draft an amendment along the lines of his suggestion I would willingly support it and withdraw my amendment, which is far more complicated. I point out that before a motor car can be registered the owner must have insured it. I would like to hear other members' opinions on Mr. Perry's suggestion.

The Hon. E. ANTHONY—I was rather impressed by the amendment, but since hearing the remarks of the Chief Secretary I feel that I must be guided by him. I agree with Mr. Perry that people should not be asked to pay for three weeks' registration that is not provided, and I do not think there would be any difficulty in carrying out the simple calculation that would be involved in the amendment. The department is collecting money for three weeks' registration it is not entitled to collect.

The Hon. S. C. Bevan—What additional staff would be required?

The Hon. E. ANTHONY—I do not think any would be, because it would not take very long for a clerk to make such a calculation. I have considerable sympathy for the amendment—at least for a portion of it. It seems that the more just we try to make our taxation the more complicated it becomes. Although we do not want to complicate the machinery of taxation and thereby increase the charge to the public, we do want legislation to be just. If progress could be reported to enable Mr. Perry to draft his very sensible amendment, I would be prepared to consider it.

Progress reported; Committee to sit again.

PRICES ACT AMENDMENT BILL.

(Continued from November 25. Page 1626.)

Bill read a second time and taken through Committee without amendment; Committee's report adopted.

LOTTERY AND GAMING ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

The Hon. A. L. McEWIN (Chief Secretary)
—I move —

That this Bill be now read a second time.

This Bill provides for two new trotting zones. In the past there was one zone on the mainland and another on Eyre Peninsula, but recently I received a deputation from the Trotting League asking for racing days in the Murray lands area and in the South-East. After considering the matter, the Government introduced this Bill to give effect to the request. Its object is to increase the number of days on which trotting meetings may be held in certain defined country areas, which are designated in the Bill as the South-East and the Murray area respectively. Under section 21 of the Lottery and Gaming Act a total of 60 days are available for trotting meetings held in country areas other than Eyre Peninsula. Eyre Peninsula has a special allocation of 20 days which is not affected by this Bill. The 60 days available for country areas generally are divided among 10 country clubs. Although the Act permits any country clubs to hold trotting meetings on not more than 11 days in any year, no club has, in recent years, received an allocation of the maximum number of days allowed by law. The actual allocation of days for trotting meetings for 1954 is as follows:—

Gawler	10
Strathalbyn	8
Victor Harbour	8
Mount Gambier	5
Barmera	4
Port Pirie	9
Clare	4
Kapunda	4
Kadina	7
Snowtown	1

Total 60

In addition, one charity meeting is to be held at Mount Gambier and one at Port Pirie. The allocation in 1953 was approximately the same as that fixed for 1954. Thus, under the allocations now being made, the 60 ordinary trotting days at present provided for in the Act are all allocated, without any club having received the maximum number of days allowed by law.

In recent years the South Australian Trotting League has on several occasions asked the Government to introduce legislation for increasing the number of days available for country

trotting meetings, by making a special allocation of days for towns in the South-East and in the Murray area. The league points out that a trotting club cannot carry on with reasonable success unless it can race on several days in each year; and as the statutory number of days are already allocated, no new clubs can conduct races without depriving existing clubs of some of their days. There are not sufficient days available by law at present to allow all the clubs to function satisfactorily, apart altogether from the question of granting days for new clubs.

The Government is informed that proposals have been mooted for new clubs at Renmark, Loxton, Penola, Peterborough and Wilmington, but the difficulty is that new clubs cannot be given a reasonable number of days for meetings without taking them from a pool which is already too small for the demands which are being made upon it. Although it is not the Government's policy to encourage an excessive amount of trotting, the Government considers that as far as possible equal privileges in this matter should be granted to the various parts of the State. In 1950 Parliament allocated 20 days for Eyre Peninsula which, no doubt, will all be used in due course, and the Government takes the view that similar allocations would be justified for the South-East and for the Murray area.

This Bill carries the decision of the Government into effect. It defines the South-East so as to include Mount Gambier, Naracoorte, Millicent, Penola and Bordertown; while the Murray area will include Waikerie, Pinnaroo, Renmark, Barmera, Loxton and Lamerook. It is proposed that each of these areas will be able to hold up to 20 trotting meetings a year in the aggregate. In pursuance of the Government's policy not to encourage mid-week trotting, the Bill also provides that all of the additional meetings must be held on Saturdays or public holidays.

A further amendment of the law is also made as regards the days on which meetings may be held in the country area covered by the general allocation of 60 days. The Bill provides that at least 10 of the meetings held on these 60 days must, in future, be held on Saturdays or holidays. As a result of the days proposed to be made available to the South-East and the Murray areas, it will be possible for the days now used by Mount Gambier and Barmera to be allocated to other clubs. The Government considers that the additional meetings held by other clubs on the days so made available ought to be held on Saturdays or

holidays and not as mid-week meetings. This will be secured by a provision in the Bill that in future at least 10 of the meetings held by country clubs who share the quota of 60 days must be held on Saturdays or holidays. I think this is a fair and reasonable Bill, and I commend it to members.

The Hon. F. J. CONDON secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL
(No. 2) (GENERAL).

Adjourned debate on second reading.

(Continued from November 25. Page 1630.)

The Hon. F. J. CONDON (Leader of the Opposition)—I think this is a Bill that we can deal with in Committee. In 1952 the Act was amended, and it is now proposed to make further amendments in which a number of concessions will be granted. These alterations have been recommended by respective committees in other States. Clause 3 provides that un-registered farm tractors can be used to draw registered trailers between different portions of a farm, and in this respect a concession is granted. Clause 4 exempts certain small wharf trailers from registration fees. Owing to the rehabilitation of the wharves at Port Adelaide, for a number of years it has been necessary for these trailers to be used within Harbors Board property and in some cases on adjoining council property. This will extend to them the concession of using those vehicles without registration.

Clauses 5, 8 and 9 deal with false statements and in this respect the fines have been increased and in addition a term of imprisonment is provided. At present traders' places can be used on Saturdays, but not on holidays and provision is made to permit this in future. Clause 7 deals with drivers disqualified in other States and gives the Registrar discretionary power to refuse to issue a licence in South Australia to a person disqualified from holding one in another State. Clause 10 provides penalties for the driving of overloaded vehicles in contravention of the Width of Tyres Act and the penalty is increased from the present maximum of 10s. for each hundredweight over the load to £10. Parliament ought to take a serious view of overloading, for it is useless to sanction the spending of hundreds of thousands of pounds for building and maintaining roads if we allow them to be broken up through unreasonable acts on the part of some road users.

Clause 12 requires cyclists to carry reflectors on their machines as well as rear lights. Very often it is nearly impossible to see the rear light on bicycles and this provision, while quite inexpensive, will afford some protection of life and limb and I am quite in accord with it. Clause 14 deals with motors passing stationary trams and has caused considerable discussion. The custom in other States is to prohibit motorists from passing stationary trams, and although there was some opposition to this provision in another place I think motorists should not be in such a hurry that they cannot stop in order to give people, particularly elderly folk, a chance to reach the footpath or the tram as the case may be.

The Hon. F. T. Perry—Is it not done now?

The Hon. F. J. CONDON—It is not an offence not to stop.

The Hon. N. L. Jude—Don't you think a motorist can stop dead at six miles an hour?

The Hon. F. J. CONDON—A lot of people have been stopped dead.

The Hon. N. L. Jude—How many? I think you should state the number because statistics do not bear you out.

The Hon. F. J. CONDON—It does not matter if there is only one. It has been the law in other States—

The Hon. Sir Wallace Sandford—That does not make it right. It is not the law in other parts of the world.

The Hon. N. L. Jude—The law is not made by Governments in other States, but by councils.

The Hon. F. J. CONDON—Another innovation is to prohibit the parking of motor cars within 25ft. on either side of a tram stop notice, which is a proper provision. In some localities it applies already. There are a number of narrow streets with double tram-lines and there is not much room between the the footpath and the tram line, so this will afford some protection to tram users. I draw attention to the numerous accidents, fatal and otherwise, in South Australia, during the last 12 months, in many cases due to negligence, sometimes on the part of pedestrians. One has only to stand on the footpath along the Port Road and look at the Mad Mullahs speeding past. On several occasions I have endeavoured to take the numbers of cars driven at excessive speed, but have not succeeded. Although the police are doing a wonderful job they cannot be everywhere and the situation is becoming more dangerous every day. I have on other occasions endeavoured to limit the speed on the Port Road but have had very little help from other members. Pick up the daily papers and

note the number of accidents. Very often new Australians are involved, particularly motor cyclists. They do not seem to have a sense of direction or speed and I think it is the duty of someone to educate them.

Clause 19 imposes a penalty for failure to stop in the case of an accident. There have been numerous cases where people who seem to be without any feelings of humanity have proceeded after an accident and left the poor unfortunate victim lying on the road. No penalty is too severe for them. Clause 20 prohibits vehicles being driven on the roads with tyres inflated to more than 100 lb. per square inch and this is designed to protect our roads. In conjunction with this clause 21 increases the penalty for damaging roads. As I said in opening, this is a Bill for consideration in detail in Committee, but what I like about it is that at least some further effort is being made to protect life and limb, and anything we can do in that direction will be an accomplishment. I support the second reading.

The Hon. N. L. JUDE (Southern)—There are a few points of merit in this Bill, but others with which I am in total disagreement. As I indicated on a previous Bill, the tendency today is to restrict too much. Speaking earlier this session I said that I knew that all police forces wanted to have an even flow of traffic in every possible circumstance rather than a constant stopping and starting due to too many regulations. The Leader of the Opposition views speed with great concern, but I draw attention to the fact that South Australia has the highest number of registrations per capita in Australia—and almost in the world—and our accident rate is the lowest in the Commonwealth. Therefore, members must be very careful before they support further restrictions. The clause relating to stopping at tram stops needs particularly careful consideration. I speak with some personal experience of cars being held up wherever there is a hill or a narrow road with a tramline up the centre; there is a dash to get past before it starts, and when the tram does stop there is often some fellow with a not very efficient handbrake in the queue and there is an immediate traffic jam. I have seen that on the Cross Road at Dandenong in Victoria which has been a bottleneck for a very long time.

The Hon. K. E. J. Bardolph—Isn't that due to the lay-out of the road?

The Hon. N. L. JUDE—Yes, but we have the same problem. Consider, for example, the Glen Osmond Road at 5 p.m. on any day of

the week. It is a very narrow road with numerous vehicles parked along it, and just because the M.T.T. happens to place tram stops in front of business premises shopkeepers are precluded from unloading their vehicles. Why must we continually give way to trams? Mr. Cudmore has pointed out time and time again what consternation and congestion is caused by trams turning and having right of way over the ordinary road user.

The Hon. A. L. McEwin—Trams are going out.

The Hon. N. L. JUDE—Thank goodness they are. This amendment is quite untimely and unnecessary. The modern car can be stopped dead at six miles an hour and, notwithstanding the Leader of the Opposition's comment, statistics do not show that any person has been killed in the last 12 months whilst descending from a tram. The accidents that do occur are due, in the main, to people crossing behind the tram into the flow of traffic the other way, and not to the motorist proceeding quietly past the tram. Those are the facts and members should seriously consider them before agreeing to such a proposal at a stage when the State is endeavouring to progress. Clause 14 relates to stop signs at intersections. I have previously endeavoured to make the point that the time will come, no matter what members think, when the right-of-way rule will have to be broken down in respect of major roads which should have preference over minor side roads. It is unreasonable to expect drivers, frequently of heavily loaded commercial vehicles, on Duke's Highway, Northern Highway and Prince's Highway to stop because some farmer on the right wants to cross the road to his paddock opposite. Such a provision does not exist in any other country. Traffic on major roads should enjoy some rights to assist in maintaining an even flow on the main highways.

I think the Government should seriously consider the clause which provides that a vehicle can be off-loaded at the discretion of an inspector. Frequently the driver of such a vehicle is the servant of a firm and the load he is carrying is extremely valuable. It would be preferable to immobilize a vehicle until another truck was obtained or to direct it to the nearest police station for the purpose of off-loading. I realize that the road might be damaged during the latter process but the driver could be directed to proceed at a slow pace.

The Hon. C. D. Rowe—It is provided that a vehicle may be off-loaded at a place decided by the inspector.

The Hon. N. L. JUDE—I am concerned about the discretion provided in the Bill. It should be more specific and state that the vehicle shall be off-loaded at a police station or remain stationary until the driver makes other arrangements.

The Hon. F. T. Perry—Does the inspector use his own judgment in deciding whether a vehicle is over-weight?

The Hon. N. L. JUDE—No, automatic weighing equipment is usually carried in a buckboard. This is essentially a Committee Bill. I have indicated that there are one or two matters which I shall emphatically oppose and I support the second reading.

The Hon. R. R. WILSON (Northern)—I agree that this is a Committee Bill and should not be debated at length on the second reading. The Bill has been framed on the advice of certain committees, including the Australian Uniform Road Traffic Code Committee, the name of which implies that it desires uniformity of traffic laws throughout Australia. The provision relating to the weight to be carried on a vehicle is not new. It applied years ago when vehicles were equipped with steel tyres. The overseers of district councils checked on any loads they suspected of being overweight because steel tyres were doing considerable damage to roads. Today, damage is being caused by pneumatic tyres. I support the provision that reflectors, as well as lamps, must be attached to bicycles. Bicycles are a great menace because frequently the lamps are unreliable and fail and it is difficult for a motorist to detect an unlighted bicycle.

Clause 11 will be of definite advantage. This morning I watched the traffic at North Terrace-King William Street intersection and at one stage five vehicles were in a line waiting to turn and the fifth car was blocking pedestrian traffic. Although it may be dangerous to pedestrians walking on the opposite side of the road it will permit the flow of traffic. Pedestrians are usually well considered by motorists, who take every precaution.

The Hon. K. E. J. Bardolph—Do you seriously suggest that?

The Hon. R. R. WILSON—The motorist has as much consideration for the pedestrian as the pedestrian has for the motorist. I have

frequently seen pedestrians defying motorists. I will not support the provision that motor cars should stop for stationary trams. It will cause congestion of traffic and some motorists will accelerate to pass a tram before a stopping place. At Walkerville, buses meet trams at the Buckingham Arms Hotel, and yesterday two buses arrived simultaneously with a number of passengers for the tram. In a few minutes the traffic built up as far back as the Sussex Hotel, almost a quarter of a mile away and there was considerable congestion for some time. The brakes on most motor vehicles are effective and a vehicle can be brought to rest within a matter of inches at six miles an hour. At all times motorists show the utmost courtesy to persons alighting or mounting trams. This is the only State in the Commonwealth where it is not compulsory to stop at stationary trams and I suggest that we are advanced in that respect because our traffic flows more easily by moving cautiously past a tram at six miles an hour. Those who exceed that speed should be prosecuted and receive the maximum penalty prescribed for that offence. The clause introduced in another place providing that a vehicle shall not be parked within 25 feet of a tram stop is worthy of serious consideration because it will afford motorists ample opportunity of seeing tram passengers and of passing trams.

The proposal relating to stop signs will present a difficulty in that motorists have been accustomed to looking both ways at stop signs. If this clause is passed the motorist will be obliged to pay attention only to the road on his right. However, it will permit traffic to flow more freely. I have always contended that motorists who fail to stop after accidents should receive heavier penalties than have been inflicted in the past. There have been instances when motorists have killed persons and proceeded without stopping. A heavier penalty is well warranted and receives my wholehearted support. An amendment was introduced in the House of Assembly to permit persons who use traders' plates to use their vehicles on public holidays for the purpose (amongst others) of driving them to a show or exhibition for display. People at Port Lincoln favour this amendment because it will prevent a person who uses his car for these purposes from being prosecuted. I support the second reading.

The Hon. E. ANTHONY secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

The Hon. A. L. McEWIN (Chief Secretary)

—I move—

That this Bill be now read a second time.

Its principal purpose is to repeal section 40 of the Stamp Duties Act, 1923-1952, and to validate the incorporation of a company incorporated contrary to the provisions of that section. Under the Act a company intending to carry on an insurance business is required to take out an annual licence authorizing it to do so. Section 40 provides that it shall be unlawful for the Registrar to take any steps towards the incorporation of such a company before payment of the licence fee. Recently the Registrar inadvertently incorporated a company intending to carry on an insurance business before the licence fees were paid. Both the Registrar and those applying for the incorporation of the company overlooked the requirements of section 40. As there was therefore a failure to comply with the section, considerable doubt arises whether the company was duly incorporated and whether the transactions of the company are valid. There seems little doubt in fact that the incorporation of the company is invalid. As the present difficulty of the company was caused in part through the error of an officer of the Government, the Government feels a duty to rectify the position and is accordingly introducing this Bill. The Bill validates the incorporation of the company and at the same time repeals section 40.

Section 40 is difficult to administer, since it requires a company which is not yet incorporated to pay licence fees, and therefore, in effect to take out a licence. How a company which is not even in existence can do either of these things poses something of a problem. The Government believes, on the advice of the Crown Solicitor, that the best solution of this difficulty is to repeal section 40 altogether, since it contributes little to the scheme of the principal Act. It was originally enacted in 1902 as a means of ensuring that the licence fees were paid. This, however, is adequately secured by section 41 which provides penalties for carrying on such a business without a licence. Section 40, therefore, only amounts to an additional safeguard and is not an integral part of the scheme. Clause 4 repeals section 40 of the principal Act and validates the incorporation of any company incorporated before the passing of the Bill contrary to the

provisions of section 40 of the principal Act. The Bill also deals with two other matters which have arisen in connection with the principal Act. The first concerns the payment of *ad valorem* stamp duty on hire purchase transactions. Section 31 of the principal Act provides for the payment of *ad valorem* stamp duty on hire purchase transactions not made in the ordinary course of a person's trade. The rate of *ad valorem* duty is 10s. when the amount or value of the consideration does not exceed £10 and in other cases £1 for every £100 or fractional part of £100. Under section 31 as originally enacted *ad valorem* stamp duty was payable on contracts for the sale of goods not made in the ordinary course of a person's trade. It was found that this duty was frequently evaded by persons selling the stock-in-trade or plant of businesses or farms. The method of evasion was to effect the transaction by means of a hire purchase agreement, which did not fall within the provisions of section 31. Section 31 was accordingly amended to make stamp duty payable on such transactions also. It will thus be seen that section 31 was never intended to affect the hire purchase transactions entered into in the ordinary course of trade.

Recently one of the trading banks has decided to take up the financing of hire purchase transactions. The procedure will be that the bank will take over the hire purchase agreements and become hirer and the ultimate seller of the goods. The bank has drawn the attention of the Government to the fact that because of the way in which section 31 is at present framed the transactions handled by the bank will be chargeable with *ad valorem* stamp duty and not merely with the duty of one shilling ordinarily payable on agreements. The reason for this is that the law at present exempts a hire purchase agreement from *ad valorem* duty only where the principal business of the hire-seller is the sale or hire of the goods to which the transaction relates. The bank's principal business will not be the sale or hire of the goods, so that hire purchase agreements entered into by the bank will not be exempted.

The Government proposes by this Bill to remove the requirement that the business of the hirer-seller should be his principal business. This amendment will not impair the effectiveness of section 31. At the same time the Bill makes a similar amendment to the provisions of section 31 dealing with the payment of stamp duty on ordinary contracts of

sale, which at present only provide for exempting agreements for sale of goods from *ad valorem* duty where the agreements are made by a person whose principal business is the sale of such goods. The Commissioner of Stamps has advised the Government that the proposed amendments will not greatly affect revenue.

Clause 3 amends section 31 to provide that a contract of sale of goods and a hire purchase transaction will be exempt from *ad valorem* stamp duty if they are made in the course of trade by a person whose business is or includes the sale or hire of the goods. The second matter arises in connection with the surrender of Crown leases. A surrender of a lease to the Crown is made to obtain a grant of lease to a party or parties other than the surrenderor, or it may be made so that the surrenderor may change his tenure of the land concerned, or it may be an absolute surrender, made to transfer the land back to the Crown. For many years absolute surrenders of Crown leases have been regarded as exempt from stamp duty. Recently, the question was raised whether they were, in fact, exempt, and the Crown Solicitor has given an opinion that they are not exempt. The Government proposes by this Bill to exempt absolute surrenders of leases to the Crown from stamp duty and thus give legal effect to the previous long-standing practice. The justification for this practice is that when such a surrender takes place the Crown is, in effect, the transferee of the estate of the lessee. But as the Crown is not liable for stamp duty the duty, if payable at all, would fall upon the surrenderor which would be contrary to the usual rule—that buyers and not sellers pay the duty. In considering this ques-

tion, the payment of duty on the other kinds of surrenders mentioned has been examined.

Stamp duty has been payable for many years on a surrender made to obtain a change of tenure or to obtain a grant to another party. Where a surrender is made to obtain a grant to another party, the surrender is substantially part of the procedure for effecting a transfer to the other party. The essence of the whole transaction is the transfer of a Crown lease or part thereof from one private party to another and, in fact, stamp duty on the surrender is paid in practice by the new lessee and not by the surrenderor. The Government sees no good reason for interfering with the present arrangement and under this Bill duty will be payable as before on such transactions. Where, however, a surrender is made purely for the purpose of giving the surrenderor a different tenure, it would seem just that the surrenderor should not be chargeable with duty, since in the final result no transfer of any interest in the land takes place. The Government accordingly proposes by this Bill to exempt surrenders of this kind from payment of stamp duty. The alterations of the law which I have explained are carried into effect by clauses 5 and 6.

The Hon. F. J. CONDON secured the adjournment of the debate.

EMPLOYEES REGISTRY OFFICES ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

ADJOURNMENT.

At 4.39 p.m. the Council adjourned until Tuesday, December 1, at 2 p.m.