

LEGISLATIVE COUNCIL.

Wednesday, October 11, 1961.

The Council assembled at 2.15 p.m.

APPOINTMENT OF DEPUTY PRESIDENT.

The Acting Clerk having announced that, owing to the unavoidable absence of the President, it would be necessary to appoint a Deputy President,

The Hon. Sir LYELL McEWIN (Chief Secretary) moved that the Hon. Sir Frank Perry be appointed to the position.

The Hon. L. H. Densley seconded the motion.

Motion carried.

The DEPUTY PRESIDENT took the Chair and read prayers.

QUESTION.

SUPREME COURT JUDGES.

The Hon. K. E. J. BARDOLPH: During the remainder of this year or next year some of the South Australian judges will retire and a vacancy was recently caused by the sudden lamented death of the late Mr. Justice Brazel. Can the Attorney-General say when the Government proposes to make an appointment to fill the vacancy and whether it is proposed to increase the number of judges on the Supreme Court bench?

The Hon. C. D. ROWE: Two points are raised in the question. Firstly, with regard to filling the vacancy occurring from the very much lamented death of the late Mr. Justice Brazel, consideration is being given now to that matter. With regard to the question of increasing the number of judges on the bench, that matter is not under consideration.

POLICE OFFENCES ACT AMENDMENT BILL.

Second reading.

The Hon. A. J. SHARD (Leader of the Opposition): I move:

That this Bill be now read a second time.

It was introduced in another place by the honourable member for Wallaroo, Mr. Hughes, who should be complimented on his action in introducing the Bill which seeks to protect innocent children from danger caused by the abandonment of refrigerators, ice chests and other similar receptacles. To assist honourable members who are not aware of the seriousness of the position, I will give some statistics to enable them to be aware of the death trap that they present to children. I have been advised

by the Australian Council of the Institute of Refrigeration Service Engineers that from 1946 to 1949 inclusive there were 22 deaths in refrigerators recorded in the United States alone. From 1950 to May 1961, there were a further 163 deaths, making a total of 185 recorded deaths. I have a full list of the statistics, which are as follows:—

Recorded Deaths in Refrigerators.
(United States of America.)

Year.	Boys.	Girls.	Total.
1950	5	2	7
1951	10	2	12
1952	9	5	14
1953	24	6	30
1954	6	5	11
1955	15	3	18
1956	8	3	11
1957	5	9	14
1958	10	7	17
1959	13	2	15
1960	4	2	6
1961	6	2	8
	115	48	163

After honourable members have had an opportunity to study those statistics, I do not think there will be any need further to stress the desirability of such a Bill. This Bill will be the first major step in a campaign to remove, as far as possible, the potential danger to young children caused by the abandonment of refrigerators, ice chests, and other similar articles. It was introduced in the hope that its effect upon adults would be such that South Australia would continue to remain accident free, although since the Bill was introduced here there has been a near-tragedy in South Australia, and this shows the need for some such legislation.

The following appeared in the *Advertiser* of Tuesday, October 3:

Ordeal of boy, 4, in freezer—Murray Bridge, October 2. A four-year-old boy, nearly suffocated after having been trapped in a refrigerator, was revived when his mother turned a hose on him at The Point, near Murray Bridge, on Friday. The boy, Fred Kessells, son of Mr. and Mrs. L. Kessells, was playing with the refrigerator with his two-year-old brother Joseph on the semi-enclosed front verandah of their house. Fred climbed into the refrigerator and Joseph apparently closed the door after him and was then unable to open it. When their sister, Lindy, 5, arrived home from school Joseph told her that Fred was "in there", and she ran to their mother. Mrs. Kessells opened the door of the refrigerator and the boy rolled out semi-conscious.

Had it not been for the timely arrival of the boy's sister, it is likely that different happenings would have been reported in this Chamber this afternoon. Should the Bill be acceptable to the Chamber, it will serve three purposes.

First, it will require that all refrigerators, ice chests, and ice boxes sold in future must be fitted with locks easily opened from the inside, and secondly, it will provide that refrigerators, ice chests and ice boxes must not be abandoned and discarded with their locks and doors intact. The first purpose will be achieved in inserting in the Act a new section (58b), which will provide that where a person sells or hires a refrigerator, ice chest or ice-box containing a compartment of a capacity of one and a half cubic feet or more he shall be guilty of an offence unless the compartment is so constructed or equipped that every door or lid can be opened easily from the inside when any lock or catch that can be operated from the outside is fastened.

I am informed that all the fittings to comply with the Act are readily available to all cabinet manufacturers. If this legislation becomes operative there will really be no added cost to the industry because the big domestic cabinet makers are already using these safety fittings. The same applies equally to the makers of deep freeze cabinets and cold-rooms. With the coming into force of this legislation the practice will become general as otherwise the article will not be allowed to be sold.

Subsection (2) provides that the refrigeration trade will be given a reasonable time to adjust itself to the new requirements of the law. I understand that in this State there are many obsolete refrigerators, ice chests and similar articles that are no longer saleable. These are being discarded. Subsection (3) will endeavour to render harmless such articles, and make it a misdemeanour for any persons to abandon or discard a refrigerator, ice chest, ice box or similar closed container from which the door or latch mechanism or hinges have not been removed. It provides that where a person places any refrigerator, ice chest, ice box, article of furniture, trunk or other similar article upon any dump, tip, sanitary depot, public reserve, public place or unfenced vacant land, and the article has in it a compartment of a capacity of 1½ cubic feet or more, unless before so placing that article that person has removed from the compartment every door and lid thereof, or the locks and hinges thereof, or has otherwise rendered every such door and lid incapable of being fastened, the penalty is £25. This subsection will not apply to a person who places such article upon any public reserve, public place or unfenced vacant land for his own use while he is residing on that public reserve, public place or unfenced vacant land.

Subsection (4), which was moved by the Hon. B. Pattinson, Minister of Education, as an amendment to the Bill, provides that:

After the making of regulations for the purposes of this subsection (which regulations the Governor is hereby empowered to make) a person shall not, except as prescribed, sell, hire, offer or expose for sale or hire any prescribed domestic or commercial appliance or equipment, container or other article which is of such a kind or is so constructed that it might be dangerous to young children.

The amendment as moved by the Minister was designed to help honourable members who supported the Bill, and will extend its scope as it was introduced by the member for Wallaroo, and gives it greater flexibility for we shall be able to meet any dangers or potential dangers from time to time by regulation. If such regulations are not in a form that is desirable or effective they can be disallowed and others put in their place. The Bill should achieve the result I am sure all members would desire, and I commend it for favourable consideration.

The Hon. Sir LYELL McEWIN secured the adjournment of the debate.

DISTRICT COUNCIL OF SALISBURY BY-LAW: MOTOR VEHICLES.

Order of the Day No. 2: Hon. F. J. Potter to move:

That By-law No. 38 of the District Council of Salisbury in respect of Motor Vehicles plying, kept or let for hire, made on November 28, 1960, and laid on the table of this Council on June 20, 1961, be disallowed.

Order of the Day read and discharged.

INDEPENDENT SCHOOLS: SUBSIDIES.

The Hon. K. E. J. BARDOLPH (Central No. 1): I move:

That in the opinion of this Council and in view of the educational system provided in this State by Independent non-profit schools, and the important part they are performing in the realm of education in the assimilation of children of migrants in our Australian way of life, finance should be made available by the Government to recognize independent non-profit schools on a £2 for £1 basis to meet the capital cost of extensions and the erection of new school buildings, which has now become a matter of extreme urgency, so as to meet the ever-increasing demand for school accommodation.

I make it clear that the motion is not for a subsidy to be paid for the upkeep of private, independent, non-profit schools. The motion deals with a matter that can be discussed calmly and dispassionately, and free from an atmosphere of bias because it has an important bearing on our respective Christian beliefs.

We all agree with the freedom of conscience, and that it should be extended to every section of the community. South Australia can be proud of the tolerance that has been displayed by all parts of the community in their respective religious beliefs. I say this so as to divorce any atmosphere that is likely to surround my proposal. This is a motion for a capital subsidy to be paid to independent non-profit schools. We all agree that the genesis of our educational system was brought to Australia in the early days of this country's development. It has progressed through about 150 years, and we can all acclaim that the system brought here by our forebears compares more than favourably with the systems operating in other parts of the world.

Recently I asked the Chief Secretary what were the Government's intentions regarding raising the school leaving age. I had in mind the 8,000 children who will terminate their school education at the end of this year. Education plays an important part in every avenue of our existence, whether it be in the academic field, industrial life or in any other way. Education is becoming paramount in every direction. We must keep pace with the standard being accomplished in Great Britain, and the conditions obtaining there for providing finance for independent schools should be adopted in South Australia. In England and Wales there are over 6,914,000 children, including about 190,000 under and 295,000 over compulsory school age attending publicly maintained schools, as well as 113,000 others who are at schools receiving direct grants from the Ministry of Education, which shows the importance attached to independent schools and to the curriculum of those schools. There are 505,000 children of all ages attending about 4,500 independent schools. In Scotland there are 860,000 children attending publicly maintained or aided schools and about 22,000 are at independent schools.

In Scotland, under the Education Act, which is quite distinct from the Education Act in Great Britain, all the expenses of buildings, extensions and the payment of teachers and for equipment is provided for by the Scottish authorities. They do not discriminate between independent schools and schools run under the auspices of the Ministry of Education. The number of school children in both Great Britain and Scotland is increasing, as it is in Australia. In England and Wales, as distinct from the Scottish system, there are three kinds of schools supported by public funds—county schools

which are maintained by local education authorities; voluntary schools, mostly aided or controlled by a voluntary body usually of a religious denomination; and direct grant schools which are completely independent of local education authorities but receive a grant-in-aid from the Ministry of Education. This latter type provides education of a grammar school type and includes some schools of ancient foundation. Similar schools are found in Queensland, where today there are grammar schools which receive a part subsidy, or were receiving it, from Government funds.

In Scotland most of the schools are supported by public funds and are known as public schools. In England that term is used for a type of independent school of which there are a few in Scotland. A few grant-in-aid schools receive grants from the Scottish Education Department.

The Hon. N. L. Jude: Are you suggesting that the Englishman is financing the Scottish schools?

The Hon. K. E. J. BARDOLPH: I cannot see any point in the Minister's interjection—

The Hon. N. L. Jude: I can!

The Hon. K. E. J. BARDOLPH: Other than to say that the Minister claims to be an Englishman, and implies that the Scottish are very frugal and canny. However, they provide a contrast to the heritage of my friend with a much greater subsidy and realize the fairness and justice of it.

The Hon. Sir Lyell McEwin: Who provided the money to start the university in South Australia?

The Hon. K. E. J. BARDOLPH: I do not want to get into an international fight on this, and do not want to create any atmosphere. I have Scottish blood in my veins and that is the reason why I desire to have Scottish atmosphere of subsidy in regard to education in South Australia as much as does the Chief Secretary.

There are a few grant-in-aid schools conducted by voluntary managers and receiving support from Scottish education authorities. The most important independent schools in England are known as public schools. They are also known as public schools in Melbourne and Sydney, and in Melbourne there is Wesley College, Melbourne Grammar, Xavier College and others, while in New South Wales there is Riverview College, Kings College, and St. Joseph's College. These colleges have carried

on in the British tradition of public schools in the areas in which they have been established in Australia.

In Great Britain and Scotland independent schools also include preparatory schools, many of them boarding schools, for boys aged from about eight to 13 years, most of whom intend to enter public schools. I shall leave the question of comparisons but hope I have not caused any international ill-feeling between the Scottish and English people because this is a question to be discussed dispassionately. Although nearly 5,000 new post-war schools had been completed in the United Kingdom by 1958 and 800 more were under construction, much remains to be done.

Early in 1959 the Government announced a school-building programme for the five years 1960-65 amounting to about £3,000,000,000, in England and Wales, and £65,000,000 in Scotland. To help voluntary schools to keep pace with county schools in the standard of their buildings, the Education Act, 1959, raised the rate of grant for alterations, improvements and external repairs to 75 per cent of the approved cost. With a few exceptions the schools affected are Church of England or Roman Catholic aided schools. The whole cost of maintenance of all denominational schools in Scotland, as of voluntarily-controlled schools in England and Wales, is borne by public funds.

Coming closer to home, in South Australia we have some very fine independent schools—Prince Alfred College, Westminster College, Kings College, Sacred Heart College, Christian Brothers College, Rostrevor, Methodist Ladies College, Presbyterian Girls Grammar School, and St. Peters College—which are all of great importance to our education system. They receive no Government assistance, but all of their equipment, new buildings, and extensions are paid for out of funds contributed by the people who claim the right of the dictates of their conscience to send their children to these schools. These people provide the money for the buildings and payment of teachers in order to give their children the standard of education, or the desired education that they feel in all conscience bound to do. During the last five years the Church of England authorities have spent £580,000 on buildings and extension to existing buildings. Honourable members should realize that, having spent that amount, the authorities still have to pay recurring interest charges each year until the amount spent has been wiped off. Dealing with other denominations, I point

out that the Catholic Church during the five years up to 1960 spent over £500,000. Similar comments apply to Westminster, Prince Alfred and the other colleges I have mentioned. They are all mulcted in heavy costs in providing necessary school buildings and in making provision for the students whose parents desire them to attend those institutions.

It may be claimed by the Government that what I am proposing would create a new principle. It may also be claimed that once the right of these colleges has been established to some payment they would usurp the function of our educational system in South Australia and the independent schools would become of paramount importance. However, the principle has already been established in this State because when the University of Adelaide desired to establish residential colleges within the university the Government granted the university 50 per cent of the capital cost of the buildings. Later the Government subsidized that 50 per cent by another 25 per cent and, in addition paid each college £1,250 for administration purposes. I have always supported that practice and do not decry that attitude because it is most laudable and worthy of the university and the Government to adopt that view.

However, the point I wish to make is that the university colleges are run by religious denominations. We have St. Anns, Aquinas and St. Marks. The colleges perform an important function in the dissemination of learning in a Christian atmosphere for residential students. They perform a most important part in the university curriculum and in the maintenance and upholding of the standard of university life. This is so evident that the Government and the university realized the position and granted the amounts I have detailed, which is all to the good in connection with higher academic education in South Australia. I have certain figures taken from statistics compiled by the Commonwealth Actuary. They reveal that the number of private schools in South Australia were:

	Schools.
1955	157
1956	163
1957	163
1958	163
1959	164
1960	165

The statistics also provide details of teachers in the independent private schools and in this connection the schools receive no subsidy from the Government. In most cases the teachers

are people who have adopted a religious life. The figures are:

	Teachers.
1955	1,153
1956	1,268
1957	1,278
1958	1,342
1959	1,363
1960	1,406

The number of scholars attending the schools in the primary stage were:

1956	22,336
1957	22,947
1958	23,939
1959	24,761
1960	24,985

The number of students attending the secondary schools conducted by the private independent schools were:

1956	7,436
1957	8,198
1958	8,941
1959	9,764
1960	9,796

The total number of scholars attending the primary and secondary schools in 1961 was 34,781. When we come to the question of costs, based on the Auditor-General's report, we find that each child attending primary school costs the Government £40 annually and each child attending a secondary school costs the Government £80 annually. Adopting the figures I have given from table 21 of the *Quarterly Abstract of South Australian Statistics* for June, 1961, we find that the independent private schools are saving the State and the taxpayers £2,000,000 a year, and in the last five years they have saved the State over £10,000,000. Those figures do not take into account the cost of buildings or land but only what it would have cost the Government to teach those children.

The Education Department, the Minister of Education and other responsible people, including the University Council, are playing a most laudable part in attempting to maintain a high standard of education and culture, but at considerable cost. The amount saved to the State over the last five years by independent schools represents a colossal sum and I could go back further than I have gone. The private independent schools are now experiencing difficulty in securing finance for buildings. The private banks are playing their part as far as they are able under the present financial squeeze applied by the Commonwealth Government under the direction of its present advisers. The lending institutions in South Australia have played a most notable and laudable part in advancing money for the pur-

chase of buildings, the construction of new buildings and the extension of existing buildings, but our schools are reaching the end of the road with regard to securing further finance for the purpose of constructing much needed extensions. We have the social requirements of the people established elsewhere. For instance, the Commonwealth Government gives a grant of £2 for £1 for another worthwhile project—the building of homes for the aged, who need to be cared for. The educational needs of our young people, who are to be our future citizens, are just as great as the need for finance for providing the necessary school buildings and equipment.

In Canberra the Commonwealth Government has already inaugurated a scheme to finance independent schools. I have not the complete particulars, but I know that on two or three occasions it has granted interest-free money for the building and extensions of schools in the Capital Territory. I submit the motion knowing that honourable members feel the same as I do about the importance of the proposal and the importance of a continuance of independent non-profit making schools. No one is receiving any benefit from debentures or from any profits that may accrue—and the profits are far from accruing. All these schools find themselves in the same financial boat—one of extreme urgency. I appeal to honourable members to look upon this proposal not from the point of view of forcing the Government to carry out something, but merely to express an opinion, if they feel so kindly disposed to consider my remarks. The objects of my motion will assist the future well-being of this particular section of the community and the interests of the citizenship of this State.

The Hon. Sir LYELL McEWIN secured the adjournment of the debate.

BRANDS ACT AMENDMENT BILL.

Read a third time and passed.

LAND TAX ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 10. Page 1118.)

The Hon. F. J. POTTER (Central No. 2): I support the second reading and in doing so congratulate those speakers who have made contributions to the debate. We have had three excellent speeches, having heard the Hons. Mr. Densley, Mr. Bevan and Sir Arthur Rymill. We have also heard from the Hon. Mr. Bardolph, but I feel that on this occasion

he made no worthwhile contribution to the debate. I am sorry I have to say that. I read his speech a second time to see if I had missed anything, but I feel I did not. I am a little sorry about that, because I think that the members representing Central District No. 2 and Central District No. 1 have a point of view which it behoves them to put on this measure. We have had a pretty good indication from country members of how they feel about it; and there is no doubt that those representative of city interests and of people living in the suburbs have a point of view to put on this legislation that is distinct from that of representatives of country electorates.

I shall not reiterate the points raised by other honourable members. They have all put forward different angles and what they have said has been relevant. Much time and research were involved in the preparation of their speeches. Mr. Densley said that we have had this tax every year for some 25 years or more. Actually, we have had it for a much longer period. He also mentioned that during that 25 years we have heard no complaints, but on this occasion there has been some questioning by residents in the area he represents. This is perhaps indicative of the fact that we have now reached a stage in our development where we should take a second look at this form of taxation; and if we do not feel the crying need to do it now, at least we may consider the need for it in future years, when there are further revaluations under the quinquennial system.

Any approach to this Bill cannot be completely divorced from some consideration of the tax itself and its history. Both these points were dealt with by previous speakers, including Mr. Densley and Sir Arthur Rymill, who showed how the tax had developed and had been changed. If one considers the incidence of the tax from when it was first introduced and the figures existing today, it will be seen that the whole thing has shown a steady growth. There has been a steady, regular increase year by year with a big jump in 1955-56 following upon the last revaluation. It was suggested by the Chief Secretary yesterday that the 1955-56 valuation had not caught up with the inflationary trends; that may be so. However, I think that some real differences will be found when the final figures are revealed and after the bills for the payments of the tax have been dispatched. I think that the amount of the billing will be greater than the Government's estimate.

The history of land tax shows that there has been a steady increase in receipts from year to year. It also shows that the historical reason for imposing the tax was the breaking up of the land holdings, but that has gone completely. We now have a mere tax. It has often been said that it is a capital tax, but it does not matter very much whether it is a capital tax in the metropolitan area because the amount of the tax can be passed on in ways that the primary producer cannot do. There is the tendency, therefore, to suggest that it is only a quasi-capital tax and that eventually it must finish as a tax on income. If we accept that it is a capital tax it is interesting to consider whether or not in the changing circumstances of our day it is sufficient for the Government to alter the incidence of the tax by increasing the assessments in accordance with values, and making slight alterations in rates. Under the Bill the Government has made an alteration in some of the rates. I do not quarrel with any concessions that the Government has granted, particularly in respect of rural land. They are justified and timely, and no metropolitan member will quarrel with them. However, some consideration should be given, if not now then certainly in the future, to the people who come within the two brackets—those with land up to the value of £5,000 and those with land valued at £5,000 to £10,000. The tax is based on the unimproved value of the land, and the definition says:

“Unimproved value” of any land means the capital amount for which the fee simple of that land might be expected to sell if free from encumbrances.

The question is whether there can be an unimproved value of land that has been improved. It is easy to value unimproved land because it has a ready sale price, but once land is improved the actual unimproved value thereafter must be theoretical, as it is bound up in the actual improvements made. It is useless to tell me that because a vacant block of land alongside my house has been sold for £1,500 my block of the same size, with a house on it, is also worth £1,500. Although that may be true, it is of no real interest to me for I have the house and I am living in it. People are not greatly interested in the actual unimproved value of the land when they have their house on it. They are not interested in the assessment.

The Hon. N. L. Jude: They are interested in the bill.

The Hon. F. J. POTTER: Yes. I take little notice of my assessment, but I take more notice of the bill.

The Hon. Sir Lyell McEwin: You think it would be better to leave the Bill as it is?

The Hon. F. J. POTTER: I am not suggesting an amendment. I am putting forward these views because the Government may have to consider them in the future. We have had inflation in land values and no one quarrels with the Government because it is trying to recover what it may have lost through the inflation. There are three reasons why there have been changes in the value of land. The first is the change brought about by the change in money values, which may be called inflation. Secondly, there has been a change in the values of city and suburban land, about which I am speaking, through the opening up of new areas, the intense subdivisational activities in them, and the high and completely speculative prices paid by people who buy the land. Thirdly, land within the confine of the metropolitan area is a scarce commodity, and each block of land on which a house is built means one less block on which to build a house; consequently, there is a change in the value of the land. Regarding subdivisational activity in fringe areas, the Government is perfectly justified in expecting the people who have paid high prices for land to meet land tax assessments on the amount they paid for it. If it turns out they have paid speculative prices, and as a result have to pay a higher land tax than they expected, no-one can find fault with that. The Government is to be congratulated on the way it has overcome the difficulty it was facing as a result of subdivisational activity having interfered with, as it were, or cut into rural land on the fringe areas of the city. I join with the Hon. Mr. Giles in saying that the way the Government has done this has been excellent, and it has benefited the Government and stands to benefit the people who are still wishing to keep the land for rural production.

If one examines the position in Central No. 1 or Central No. 2 district he will find that the values of the land have increased on what is really a theoretical basis, where the land has been improved, because it is not of much use a person receiving £2,000 now for his land because he has to pay that much for another property. In other words, he has made no real capital gain at all. He has only made a theoretical capital gain, and it may be that a point will be reached when this land tax becomes, to a large extent, a tax on theoretical capital gain. Exactly

how much revenue will be raised by this increased land tax depends on how much money is going to be raised from the metropolitan area and how much from country land. I have had it on good authority from both the Hon. Mrs. Cooper and the Hon. Mr. Densley, both of whom I understand have consulted the Land Tax Department on this matter, that it is estimated that at least 70 to 75 per cent of the total revenue from land tax comes from the metropolitan area. If that is so, and I will assume it for a moment, it must follow that the actual revenue to be derived as a result of this amendment must be, or is likely to be, in excess of the Government's estimate of an additional £600,000.

I have seen a large number of assessments made on land in my particular area in Central No. 2, and every one shows an increase of from two to three times in the assessed value of the land above the 1955 figure. The average assessment of ordinary suburban household property is about two and a half times greater, and as all the assessments are within the first £5,000 group, in which there is no change in the incidence of taxation, the revenue must be two and a half times greater. If it is true that some 70 to 75 per cent of the total revenue is derived from the metropolitan area, then there is some justification for outside valuers, referred to by the Hon. Sir Arthur Rymill, thinking that the Government's estimate of revenue is very much on the low side.

I join with other speakers and would like to ask the Chief Secretary if, when replying to this debate, he would give an undertaking on the part of the Government to review the incidence of this tax, if in the future the actual revenue is much higher than the estimated revenue. It is possible that the Government may be something like £500,000 out in its estimate. I know it is difficult for a Minister when replying to the sort of question asked by the Hon. Sir Arthur Rymill earlier in this session to give an exact figure, because it is necessary to aggregate the holdings and ascertain the exact total. A tremendous amount of work would be necessary and perhaps it might even need the assistance of an electronic computer to work it out accurately. If at least 70 per cent of the revenue from this tax is derived from the metropolitan area where individual assessments have risen two and a half times, it makes an addition of at least £1,000,000 in the total revenue which will be received, and not £600,000 as has been suggested.

There is no question at all that the Government is fairly entitled to keep pace with the change in the value of money. It is true that over the last five years, since the last assessment was made, there has been an increase in costs. My figures show that there has been an increase in the average weekly wage of about 20 to 25 per cent during that time. The consumer price index has risen from 103.5 in June, 1955, to 124.3 in June, 1961, which shows an increase of about 21 per cent. When explaining the Appropriation Bill the Chief Secretary indicated that the Government costs were increasing by about 6 per cent per annum, and so if we take this figure, the Government is entitled to at least a revenue of about 30 per cent higher than it previously obtained from land tax, plus something extra because the old 1955 assessment may have lagged behind the times, plus a little more for the fact that no fresh valuation will be made until 1965. When all these things are considered they certainly would not justify an increase in revenue of much more than 35 to 40 per cent, and this is what the Government expects. I fail to see how, with the metropolitan ordinary homes assessment increasing up to two and a half times, this amount will not be greatly exceeded. I know that individually it does not amount to much. It is true that the actual increase being paid by a suburban dweller is not much more than £2 10s. or at the most £3 a year, and it does not sound much, but a question of principle is involved. There is no reason why suburban householders in the metropolitan area should be required to pay a higher incidence of tax, having regard to their limited holding, than that paid by other taxpayers in the community, particularly those living in country areas.

Different considerations apply in the case of country people whose land is an income-earning asset. However, it is important that the average suburban householder in our areas should at least be next in line for some consideration if there are to be further concessions. Nobody quarrels with the concessions already made; we all agree with them, but if concessions are to be made in future the next people to receive them should be the people in Central No. 1 and Central No. 2 districts. If the receipts are in accordance with the Government's advisers' figures I do not think members will complain and the Government will hear no more about it but, if it turns out that some of our fears are realized and the income received is £250,000 or £500,000 higher than that anti-

ipated because of the facts I have put this afternoon, then the Government should re-examine the rating—it cannot interfere with the assessment—so that some relief may be given to the people who own land in the metropolitan area and who, by and large, fall within that first group of up to £5,000.

The Hon. K. E. J. Bardolph: Wouldn't that be wishful thinking on your part?

The Hon. F. J. POTTER: No, I think the Government is always reasonable and it will be prepared to review the position.

The Hon. K. E. J. Bardolph: Hope springs eternal!

The Hon. F. J. POTTER: I am not asking the Government to commit itself or to say that it will reduce the rate and by how much, but I am asking it for an assurance that, if the revenue is very much higher than that anticipated, it will at least review the situation and decide if any relief can be granted to the taxpayers.

The Hon. K. E. J. Bardolph: Have you ever known any Government to hand back accumulated taxation?

The Hon. F. J. POTTER: I am not concerned with handing back taxation. I am concerned with the incidence of the tax—the rate in the pound—and this is something that has to be paid every year. I am not concerned with any handing back. I am concerned with the fact that next year when the bills are issued they should be at a slightly reduced rate for the people in the first bracket if the revenue derived from this experiment is much higher than that anticipated.

The Hon. K. E. J. Bardolph: You could achieve your purpose by voting for our amendment.

The Hon. F. J. POTTER: I am not going to vote for the honourable member's amendment because I would not like to set myself up as a mathematician. I would not like to say that the three farthings in the pound should be reduced to one farthing. Honourable members in this Chamber all have a responsibility to discharge when looking at this matter. They should all realize that the Government has budgeted for this financial year on the basis that this particular revenue will be received. If we reduce it to one farthing in the pound we will be playing ducks and drakes with the Budget.

The Hon. K. E. J. Bardolph: You have just expressed the fear that there will be a surplus.

The Hon. F. J. POTTER: Yes, but I am not going to interfere.

The Hon. K. E. J. Bardolph: Why not vote for our amendment?

The Hon. F. J. POTTER: I am explaining why I will not vote for your amendment and why other honourable members should not vote for it, because I believe it will play ducks and drakes with the Government's budgeting. The Treasurer expects a certain amount to come in. I am sounding a warning, and other honourable members have tried to do the same thing, that the Treasurer may receive a lot more than he is anticipating. If that happens I suggest that we should examine the position next year and then if it is possible to reduce the tax by one farthing, by all means do so. However, I do not think that we could reduce it to that extent. This is a very finely balanced thing and any concession might be in the order of one-eighth of a penny or something like that. I do not believe a reduction amounting to a half-penny would ever be justified.

Other amendments have been put on the file, one by the Minister, and I think the Minister's amendment is a most desirable one. Certainly it is very necessary to tidy up what might otherwise have been a most unsatisfactory situation. The amendment is in clause 7 and the Chief Secretary has given notice that he intends to move to insert after "person" the words "and the transfer or conveyance is not in pursuance of a gift or devise to the spouse, a parent, grandparent or descendant of the taxpayer". That amendment is necessary to ensure that people who receive a gift or a devise of land and who are in this category of relationship to the person making the gift or devise should receive the same advantage of the special provisions for rural land.

Perhaps the Government has not adequately considered the position of people who may be trustees of land in specially defined rural areas. My attention has today been drawn to a case in one area where a trustee holds land and there is a life interest to a widow. The widow, under the terms of the will, is compelled to pay certain outgoings on land, one of which is the land tax. Of course, the usual procedure is for the trustee to deduct from the income that comes into his hands from the land the rates and taxes, including the land tax, and to pay the net income once a year or throughout the year at various times to the widow. What would be the position if he deducted the land tax payable on rural land and after the death of the widow the land was sold and realized sub-

divisional values? Under this Bill the trustee may be liable to pay the arrears of the land tax.

The Hon. Sir Lyell McEwin: It is a capital charge.

The Hon. F. J. POTTER: Where is the money to come from—from the proceeds of the sale? I consider that this question is deserving of consideration by the Government. Would the back tax have to come from the proceeds of the subdivisional sale, or from where would it come? It should not fall upon the trustee, who was carrying out the terms of his trust. He should be able to get some form of indemnity from the beneficiaries or the widow. A careful and prudent trustee may be loath to do such a thing. He cannot, as it were, deduct the possible land tax before he pays out the net income to the widow.

The Hon. K. E. J. Bardolph: As a trustee he would know that if the land was sold for subdivisional purposes the arrears would have to be paid.

The Hon. F. J. POTTER: I want to know whether or not the money will come from the sale of the property. If that were so, I should like to be given chapter and verse. I have not yet had an opportunity to study the position fully but I hope to do so before we reach the Committee stage. The Bill is a measure with which few of us can quarrel. There has been an increase, for various reasons, in the value of properties. For the reasons I have expressed, some members are worried at the possibility of a large sum coming mainly from the metropolitan area as the result of the change in values, with no change in the actual incidence of the rates. If this is so, will the Government without committing itself, undertake to re-examine the position of the actual rate at the end of the next financial year when the true figures can be easily ascertained?

The Hon. C. R. STORY (Midland): I support the Bill and in doing so I express my indebtedness to previous speakers, particularly the Hon. Mr. Densley who put the countryman's point of view very clearly and concisely. I cannot agree with the Hon. Mr. Potter when he says that the Hon. Mr. Bardolph's speech was not up to form. I thought it was an excellent speech. Some members seem to be worried whether the Government will receive from this tax more than is estimated. At this stage it is a matter for conjecture. The Government has budgeted for a little more than £2,000,000, an increase of £600,000 on the previous assessment. The Bill provides for

exemptions, if all exemptions are applied for, amounting to about £400,000. Mr. Densley pointed out that some people blamed the Government for having introduced this excessive land tax. That is also the feeling of some people outside and such a feeling was forcibly expressed in the earlier stages of the discussions which took place following upon the quinquennial assessment. Actually, the Government is merely a medium. The Act lays down the law, under which the Government receives and spends the money. It is incumbent upon Parliament to decide upon any change.

After having listened to the debate, I consider that the views expressed come down fairly well on the side of the Government. Only two differences of opinion seem to have been raised. One is that if there is a great excess over the estimated return from the tax the matter should be reviewed; and, secondly, if this should occur, which group should be the next to receive a little picking off the bone, so to speak? The general reduction of a halfpenny in the pound on properties up to the value of £100,000 in itself is an indication that the Government has in some way endeavoured to meet the position in the new assessment. As to the exemption of primary production lands of a value up to £2,500 of unimproved value, and a partial exemption of those lands up to a value of £6,250, I do not think that either of these were visualized in the early stages. These two points have been accepted by the Government following upon representations mainly by country members of this Chamber. They are to be commended for having so forcibly put forward their argument. However, if we had listened to some of the arguments advanced, the Government would not receive any additional tax as a result of the new assessment.

The other point is related to the exemption on urban land of £320. For the primary producer in a defined area the most important point is the concession for his land; otherwise it would be assessed as urban land. This is a great concession for the people concerned. The city of Adelaide is spreading and the farther we get from the hub of the city the greater are the difficulties in trying to administer the various areas. Few of us realize the amount of money spent by Government departments in these subdivisional activities. Having to put in water mains, sewers, electricity, roads and other services has meant a tremendous expense. Although the subdivider must now do certain things under the Town Planning Act, for a long time it was the responsibility of the local

council and the taxpayers to do them, and it all must have the effect of increasing the unimproved value of land. I cannot agree that inflation has played the great part that some people would have us believe. Much of the increase in the unimproved value is the result of wise planning by the Government, yet many people object to paying the land tax. The argument that the land tax has outlived its usefulness in cutting up large estates cannot be borne out by facts. People just cannot allow large areas of land to remain unimproved.

I have heard people say recently that there should be a change in the system of land taxation, and that one of production values should be adopted. I would not object to that so much if I thought that the people knew what they were talking about. They want the benefits of the unimproved land values on the one hand, and on the other they want adopted the basis of productive capacity values, but if that were accepted it would operate like an income tax, not a land tax. I am surprised that prominent primary producers in some parts, and I am sorry to say some members of Parliament, too, have been pressing at meetings, and have almost incited the people, for the adoption of this other form of taxation on land. I cannot understand why people would want to inflict upon themselves an unbearable burden, which is precisely what this other system would mean to the average primary producer.

The Hon. S. C. Bevan: At least the conscientious one.

The Hon. C. R. STORY: Yes. I imagine that the people who would be pleased with the system would be those established within the city square, the near environs, and business people. At present they pay between 70 per cent and 75 per cent of the amount collected as land tax in South Australia. The system which one member of Parliament has been suggesting all over the State would work harshly against the primary producer. The only people who can really recoup themselves for land tax are people somewhere between the producer and the buyer of the goods. The primary producer has no alternative but to absorb taxation in his own business, and the only way to do that is to work a few extra hours a day. I cannot understand why people would conscientiously adopt this other system. There can be only two motives in the matter. Some landholders in subdivisional areas who have allowed their permanent plantings to run down in the expectation of subdividing at an appropriate time would have their production figures reduced considerably, and if there was a valuation at

the reduced figure they would come out of it very well. It is not like the New Zealand system where they try to ascertain the productive capacity of the land. Here the suggestion is to have a tax on the production of a particular property. It is nothing but another form of income tax, and is an expediency to get over a problem.

I hope that the people who have had this brainwave earlier have now had time to absorb the contents of the Bill and are much happier. I think they will be hard to get on with if they do not accept the concessions in the Bill. When it was found that dissatisfaction existed in some areas the opportunity was taken by some people to whip up enthusiasm for this other system, firstly for political reasons and then for personal reasons. I will not have any part of this other system. The concessions in the Bill will take care of the fears that I have heard expressed in rural areas. The Hon. Mr. Potter said yesterday that the Budget had been carefully worked out, but he doubted whether the Government could possibly get through on the money for which it had budgeted. He thought there would be many departments which would have lower revenue, including the Railways and Harbors Board, and he queried the matter of water supplies. If the position is as the Hon. Mr. Potter predicted, it would be proper for the Government to get all it can to try to balance the Budget. If it does not balance the Budget from taxation it has to balance it in some other way, which would probably be from Loan funds. There is not much use in paying interest on funds borrowed in this way when there is a ready source of income in this State.

The Hon. K. E. J. Bardolph: You do not believe in budgeting for a deficit?

The Hon. C. R. STORY: No, I do not, if it can be avoided. If the honourable member will look at the figures shown in the sinking fund he will see why I do not think it is a good thing to budget for a deficit, particularly if it is possible to balance the Budget without squeezing anyone too much and by managing on the moneys available at any time. It is the desire of everyone that this Bill should come into operation this year so that the concessions will be available as soon as possible. I congratulate the Government on taking a humane and long-sighted view of this matter, and I sincerely support the Bill.

The Hon. Sir LYELL McEWIN (Chief Secretary): I appreciate the attention and consideration which honourable members have

given to this measure. Taxation Bills of any type must be of considerable interest to all honourable members. I have yet to find anyone who thinks taxation is a pleasant imposition, but it is like the cows on the farm, it is something necessary.

The Hon. L. H. Densley: This Bill must be the exception to the rule; they all approve of it.

The Hon. Sir LYELL McEWIN: I will correct the honourable member on that point, by suggesting that this is not a taxation Bill but a concession Bill. It has been suggested that this is a most unjust tax and should be abolished, but it is one that has been accepted since the foundation of the State. The first Land Tax Bill was passed in 1884 and it has taken until 1961 for anyone to find out it was an unjust tax. It was suggested that Western Australia does not have a land tax. I was rather surprised to hear this, and inquired whether they had some other form of tax, such as a capital increment tax or something that took the place of land tax. Unless the Grants Commission is not aware of what it is publishing or its reports are not reliable, I find that Western Australia does quite well out of land tax, even better than South Australia. In fact, it has the highest land tax of any State in the Commonwealth and the Grants Commission report of 1960 shows the following figures for land tax per capita: New South Wales, £1 13s. 4d.; Victoria, £1 13s. 7d.; Queensland, 19s. 10d.; South Australia, £1 10s. 9d.; Western Australia £1 14s. 9d.; Tasmania, £1 9s. 11d.; or an average of £1 11s. 2d.

The Hon. K. E. J. Bardolph: We are still catching up, aren't we?

The Hon. S. C. Bevan: We have caught up!

The Hon. Sir LYELL McEWIN: So long as we have the honourable member, and I do not isolate him, and others who address themselves to the Address in Reply and demand more and more works and services, then it is necessary for the Government to impose some form of taxation. The honourable member has submitted something to this House today in which the Government is asked to come to the rescue of private enterprise.

The Hon. K. E. J. Bardolph: But you are a private enterprise Government?

The Hon. Sir LYELL McEWIN: I ask him where he would find the wherewithal to do this. It is all very well for honourable members to be glib and suggest how much more money the Government can disperse, and make itself a good fellow, but they are the first to criticize the Government when it has to introduce these

apparently less popular measures to obtain money to provide what honourable members want. I think honourable members should consider these matters when applying themselves to the things they would like and perhaps there would be better balance in their thinking. I know the honourable member thinks it is quite easy to borrow money, but I have had some personal experience of borrowing and cannot find anything different between private and Government finance. If one spends 25s. a day and earns 20s. a day, one does not remain long in business.

I congratulate the Hon. Mr. Densley on a most dispassionate and practical address. He represents a district which is probably more affected by the complexities which have arisen over the new assessments than any other.

The Hon. K. E. J. Bardolph: They are getting concessions!

The Hon. Sir LYELL McEWIN: If the honourable member approached this problem with the same clarity of thinking as that shown by Mr. Densley, I am sure he would not have any difficulty in voting for this measure. Suggestions have been made that unimproved values should not be altered and no account should be taken of the so-called inflationary trend. In answer to that, I refer to such things as the provision and reticulation of water throughout the State, without which land would be of very little value. Increased costs of those services have to be met whatever happens. The cost of putting a main from Morgan to Whyalla today would be treble the cost of the original main, and that would be a conservative estimate. The same thing applies to roads, which used to cost about £3,000 a mile, but which today would cost over £10,000 a mile.

Those costs are rising all the time. The railways were extended in the country, otherwise the land would be worth very little. Broadcasting was made available and now we have television, and all these things contribute to give equal conditions to people in the country and to keep them there in production, without which we would not enjoy the additional privileges of city life. I could go on in this vein, but these things have been referred to by an honourable member during the debate and there is no need for me to enlarge on them. The main problem has been in relation to land which is at present in primary production, much of it in small holdings, in the vicinity of the city. The city perimeter is spreading out all the time and the land values are

becoming so much greater that people are being prematurely pushed out of primary production as a result. The Hon. Mr. Potter referred to that. Because land prices on property adjoining primary producers' land have gone up that does not necessarily mean that one's land is worth that much to him in the capacity in which he is using it. The Bill has been designed for that purpose and to taper the tax.

In connection with larger holdings, more of the tax has to be absorbed than is the case in the smaller holdings. The Bill was not easily conceived. The Government realized the effect of the assessment in certain circumstances and it tried to meet the position. I have been asked to give an undertaking that is impossible for me to give. The Hon. Sir Arthur Rymill asked that some assurance be given that if the concessions did not reduce the amount of revenue to the estimated figure then some further concessions should be given. When giving concessions the decision must be influenced by the necessity for the Government to pay its way, and other considerations might apply.

The Hon. Sir Arthur Rymill: I did not ask for an undertaking that further concessions be given but that the matter be reviewed.

The Hon. Sir LYELL McEWIN: I can give that undertaking easily because the Treasurer has to review his Budget every year. I thought the honourable member was seeking some more explicit undertaking that if the tax collected were more than £2,000,000 we should see how we could pass the change back. That would depend on circumstances and conditions at the time and it is not an undertaking that could be given. All I ask is that honourable members accept that the Government has not been extortionate in its taxation measures and that it has always tried to consider the welfare of the community at large. It will continue to do so. I am not able to go beyond that.

The Hon. Sir Arthur Rymill: I was asking you to have another look at it in those circumstances.

The Hon. Sir LYELL McEWIN: I can do that, but that commits nobody to anything. I rather interpreted it as meaning that the honourable member was looking for something in the shape of pounds, shilling and pence. I can only say in a general way that these matters are always examined and as I look back over the history of land tax I can say that there has been little interference with it. We have advanced since 1936—about 24 years

—and it always levelled out until we reached the present stage of industrialization when our city boundaries are extending, and rapidly advancing prices have brought about a condition where those prices could create hardship in a number of cases. I could produce figures to indicate that, but I do not think it is necessary. The position is understood by honourable members and I thank them for their attention during the debate.

Bill read a second time.

The Hon. K. E. J. BARDOLPH: I move:

That Standing Orders be so far suspended as to enable me to move for an instruction without notice.

The Hon. L. H. DENSLEY: No.

The DEPUTY PRESIDENT: "No" having been called, there must be a division.

The Council divided on the motion:

Ayes (11).—The Hons. K. E. J. Bardolph (teller), S. C. Bevan, E. H. Edmonds, N. L. Jude, A. F. Kneebone, Sir Lyell McEwin, A. J. Melrose, F. J. Potter, C. D. Rowe, A. J. Shard and R. R. Wilson.

Noes (5).—The Hons. Jessie Cooper, L. H. Densley (teller), W. W. Robinson, Sir Arthur Rymill and C. R. Story.

Motion thus carried by an absolute majority.

The Hon. K. E. J. BARDOLPH: I now move:

That it be an instruction to the Committee of the whole Council on the Bill that it have power to consider a new clause to amend section 10 of the principal Act.

THE DEPUTY PRESIDENT: I rule that this matter is beyond the scope of the Bill as it stands, and it cannot be proceeded with.

The Hon. K. E. J. BARDOLPH: I do not disagree with your ruling, Mr. Deputy President. I presume that you are following a tradition of the Chamber that has already been established.

THE DEPUTY PRESIDENT: That is so. In Committee.

Clauses 1 to 3 passed.

Clause 4—"Amendment of principal Act, section 11".

The Hon. K. E. J. BARDOLPH: I move: In subsection (2) of new section 11 to strike out "of so much of the land as is land used for primary production".

Although my Party agrees that primary producers should be protected, it nevertheless takes the stand that this is a sectional tax applied to small landholders. I want to make it clear

that the Labor Party will always extend the utmost consideration to those who earn their living from the land. Over the years that has been exemplified both in the Commonwealth and State spheres.

The Hon. Sir LYELL McEWIN (Chief Secretary): I ask the Committee not to accept the suggested amendment as it will have the effect of applying to land generally a concession that has been applied to smaller holdings, such as market gardens and poultry farms, the effects on which are different from those applied to a building block or to a house. The Bill provides a generous concession. In view of other requests made during the debate, I am afraid that if we were to accede to the honourable member's suggestion, the Government would have to give many more concessions, and this would completely upset the whole purpose of the Bill.

The Committee divided on the suggested amendment:

Ayes (4).—The Hons. K. E. J. Bardolph (teller), S. C. Bevan, A. F. Kneebone and A. J. Shard.

Noes (12).—The Hons. Jessie Cooper, L. H. Densley, E. H. Edmonds, N. L. Jude, Sir Lyell McEwin (teller), A. J. Melrose, F. J. Potter, W. W. Robinson, C. D. Rowe, Sir Arthur Rymill, C. R. Story and R. R. Wilson.

Majority of eight for the Noes.

Suggested amendment thus negatived.

The Hon. K. E. J. BARDOLPH: In view of the vote that has just been taken I do not propose to move my next suggested amendment to delete from subsection (3) the words "and all that land is land used for primary production". It was consequential to the amendment that was defeated. I now move:

To delete subclause (4).

There is no need to explain this suggested amendment. The Labor Party does not want to run wild and borrow money to provide—

The DEPUTY CHAIRMAN: Order! I ask the honourable member to address himself to the suggested amendment.

The Hon. K. E. J. BARDOLPH: I intend to do that. The Labor Party does not want to run wild and place people in debt. The Chief Secretary said that the finances of the State must remain on an even keel, but the Labor Party wants to ensure that the small people do not have to pay more land tax to the exclusion of people better able to pay it.

Suggested amendment negatived; clause passed.

Clause 5—“Amendment of principal Act, section 12”.

The Hon. K. E. J. BARDOLPH: I move:

To delete “ $\frac{3}{4}$ d” and insert in lieu thereof “ $\frac{1}{4}$ d.”.

If this suggested amendment were accepted the amount of £15 12s. 6d. tax on a taxable value exceeding £5,000 but not exceeding £10,000 would be reduced to £5 4s. 2d. The £36 9s. 2d. tax on a taxable value exceeding £10,000 but not exceeding £20,000 would be reduced to £26 0s. 10d. The £119 15s. 10d. tax on the taxable value exceeding £20,000 but not exceeding £35,000 would be reduced to £107 7s. 6d. There is no need for me to go further down the table. This suggested amendment would help the people who are being called on to pay high amounts in this spiral increase in land taxation. It was said in another place that the tax rate of $\frac{3}{4}$ d. for each pound would increase the revenue greatly from the metropolitan area. The Treasurer said that the valuations of city and suburban land had risen from £70,000,000 to a little over £202,000,000, thus accounting for £132,000,000 of the increase of £186,000,000 for all land. The Treasurer said it was a 40 per cent increase, but on the figures he gave it was 160 per cent. He also said that practically all the land in the valuations would come within the £5,000 group, and that consequently the impost would be less on those people who owned that land.

I agree that the impost would not appear to be great, but on the Treasurer's own figures most of the tax would come from the city and suburban areas. Because of that, a greater number of people would be paying the increased tax. On the Treasurer's own figures there can be no harm in suggesting to another place that the rate of the tax should be $\frac{1}{4}$ d. instead of $\frac{3}{4}$ d. mentioned in the Bill. The Chief Secretary said that the Government could not say what overall revenue would be returned to it under the Bill. The Labor Party has considered this matter and that is why I have moved the suggested amendment. The Chief Secretary refused to give an assurance to his Party that there would be a review of the incidence of this taxation. The Hon. Sir Arthur Rymill suggested there should be some form of review and also indicated that any surplus of taxation should be distributed to those who have paid it. The Hon. Mr. Potter made a most analytical survey of the Bill this afternoon, and his remarks were on all fours with the opinion expressed by my Party in this House. This amendment will assist rural producers and the many land-

holders of property worth under £5,000 and will lay down most equitable taxation in the interests of the people of this State.

The Hon. Sir LYELL McEWIN: The honourable member is following his Leader in another place who said he did not care whether the Government lost £500,000 or £1,000,000.

The Hon. K. E. J. Bardolph: I did not say that!

The Hon. Sir LYELL McEWIN: In moving this amendment he is saying the same thing but in different words, which mean “I don't care”.

The Hon. K. E. J. Bardolph: You are in the wrong business; you should be a crystal gazer.

The Hon. Sir LYELL McEWIN: I can see through the honourable member sometimes. The amendment is to reduce the rate from $\frac{3}{4}$ d. to $\frac{1}{4}$ d. in the pound. I am not a sufficiently good crystal gazer to understand how the honourable member imagines that such a reduction in the first line of the schedule will automatically affect every other line. This clause as introduced is designed as a progressive schedule, and to do what the honourable member suggests would throw it completely out of gear. Apart from that, he is trying to convert a Bill which represents a £400,000 concession into one with a £1,000,000 concession. I must oppose the amendment.

The Hon. Sir ARTHUR RYMILL: I oppose the amendment and rise to refute one or two things. First of all the Hon. Mr. Bardolph said that members had given lip service to certain reductions and should support this amendment. No one in my hearing, and I am sure I am correct, suggested that the minimum rate of tax of $\frac{3}{4}$ d. for each £1 which has stood for many years and was unaffected by the 1952 amendment should be altered. There is no injustice in that because the assessments have merely increased and those within the first category remain at the same rate of tax. This is not the same as where people who on the same land because of changes in money value are getting into higher scales. That does not apply to this amendment at all.

I support the Chief Secretary, who said that the Hon. Mr. Bardolph could not even guess at the amount of revenue which would be involved as a concession if this amendment were carried. In his reply to me, the Chief Secretary said that the various assessments in the different categories could not be ascertained and no-one can say what they

will be, but I would imagine this amendment would involve a substantial figure. The Chief Secretary was not prepared, in reply to my query, to give any commitment, and I did not ask for one, but he clearly indicated that if the revenue from this tax exceeds the Government's anticipated revenue the position will be reviewed.

The Hon. S. C. BEVAN: I support the amendment. If this amendment were carried it would have an effect on the first line, which applies to land not exceeding £5,000 in value. It has been admitted throughout the debate that there should be concessions, the main reason for them being a considerable increase in the assessed value of unimproved land. Every other line in the schedule has received a concession. In the second line—exceeding £5,000 and not exceeding £10,000—the same amount is shown in the schedule as is in the present Act, but the surtax has been reduced by a halfpenny. The only person that has no concession whatever is the one coming under the first line where the unimproved value does not exceed £5,000. The Hon. Sir Arthur Rymill said that this has always been so, and that because of that there should not be any alteration. If that argument is used then all the other categories in the schedule should remain the same. The suggested amendment will benefit the small person whose property is valued under £5,000 and many blocks of land today are purchased for £1,500 to £2,000 within four miles of the General Post Office. Many people will not derive any benefit from this clause after building a house on a block purchased at a high price. I agree with the concessions given to primary producers, but all people are entitled to some consideration, not just one particular class. The Government should consider the small person and take into account the enormous increase he will have to pay under the new assessment. People in that class will have difficulty in paying the new tax. I support the amendment.

The Hon. K. E. J. BARDOLPH: Certain areas in Adelaide have been declared commercial areas and many people living in those areas occupy houses in which they have dwelt for some years. Because of a declaration that they live in a commercial area, and because of spiralling land values and the inflationary trend, they will be forced to pay greatly increased land tax. A concession has been given to primary producers and I agree with that because provision has been made for tax to

be collected in respect of the previous five years in certain circumstances, but why should not a concession be extended to the ordinary householder and his tax reduced to ¼d. with a similar saving provision? Nobody seems to know what the Government will receive in tax under the new assessment. The Government has attempted to rush this measure through and, doing a little bit of crystal gazing, I believe the Land Tax Department has its accounts ready to be posted out when the Bill becomes law. This is not fair legislation. The measure should be calmly deliberated and should not be rushed through Council by the use of all the old political tricks that are customarily used.

The Hon. F. J. POTTER: I oppose the amendment and I do not see how Mr. Bardolph can know the effect of his amendment. In my own case, if the tax were reduced to ¼d. in the pound, I would pay less than I did last year and that hardly seems to achieve the desired result. To reduce the tax would be an absurdity. In the first bracket there have been increases of about two and a half times the previous tax. That is the bracket that will have to be watched carefully, but I do not suggest the future remedy. If the revenue increases greatly the Government may decide to make a reduction of ¼d. in the pound. However, a reduction need not be achieved in that way. There may be a statutory exemption. No tax is proposed on land valued at less than £320. Very little land would be valued at that figure. The Government may decide to allow a statutory reduction of £320 on all assessments and that may be more effective than reducing the prescribed rate of ¼d. in the pound.

The Hon. Sir LYELL McEWIN: The Hon. Mr. Bardolph suggested there was some attempt to bulldoze the Bill through. The Bill was introduced in another place on August 26 and it has been before Parliament for nearly two months. It has been before this Council since September 26. If the honourable member cannot gaze a little more clearly than he is now, he is slipping a little below what I believe is his capacity. The honourable member by his amendment hopes to reduce the taxable level to almost the pre-war rate and there is nothing in the Bill to provide any concession like that. The concessions given will still leave the taxpayers affected paying increased taxes. To reduce the rate of tax by ¼d. in the pound in the first category would be to reduce it to a pre-inflationary period.

The Hon. K. E. J. BARDOLPH: It is not the responsibility of the Opposition to conduct the business of the Chamber. The Bill came

into the Council on the date mentioned by the Chief Secretary and I secured the adjournment and subsequently spoke on the measure. I remind the Chief Secretary that we have reached the stage of an inflationary valuation. It has been the proud boast of the Liberal and Country League that it attempts to curb inflation. If we are to do that, particularly as to the land tax, my Party submits that we must lower the incidence of taxation on any inflationary assessment. I should like to know from the Government and its supporters whether those on fixed salaries and wages will receive a proportionate increase compared with the increase of the taxation to be derived from an inflationary assessment?

The Committee divided on the suggested amendment:

Ayes (4)—The Hons. K. E. J. Bardolph (teller), S. C. Bevan, A. F. Kneebone, and A. J. Shard.

Noes (14)—The Hons. Jessie Cooper, L. H. Densley, E. H. Edmonds, G. O'H. Giles, A. C. Hookings, N. L. Jude, Sir Lyell McEwin (teller), A. J. Melrose, F. J. Potter, W. W. Robinson, C. D. Rowe, Sir Arthur Rymill, C. R. Story, and R. R. Wilson.

Majority of 10 for the Noes.

Suggested amendment thus negatived; clause passed.

Clause 6 passed.

Clause 7—"Special provision for rural land".

The Hon. Sir ARTHUR RYMILL: I want the Committee to consider a point raised by the Hon. Mr. Potter during the second reading stage. It is a technical and rather involved point. On a hasty glance at the total legislation, I think that my immediate view is that the legislation could be onerous and ineffectual in relation to trust estates. A consideration is involved of a number of sections of the principal Act. I shall take the example of a trust estate where the legal ownership of the land is vested in a trustee and where there is a person having a life interest in the whole of the income from the land, and another person having the remainder interest in the capital of the land.

In the clause as drafted the total incidence of the tax, in my opinion, falls upon the life tenant of the land, and thus he is responsible for the whole of the tax. Let us assume that this land is declared primary production land and is held for, say, five years, and is then subdivided and sold. The arrears of tax at the subdivided rate would thereupon become payable in respect of the previous five years. The

person responsible to pay that tax for the whole of the five years at the increased rate is ultimately the life tenant. Certain of the assessments in the Morphett Vale area that I have seen involve the payment of land tax in excess of the total income being derived from the land. I have seen one assessment where I believe the land tax would, apart from this amendment, have been £3,000 a year, but the income from the property amounts to only about £1,500 or £2,000. If the land were subdivided the increased tax would apply to the previous five years.

The position of a person I have in mind is protected for the time being, but if the trustee decided to sell the land by subdividing it, a decision in which the life tenant could well have no say whatever, the life tenant would then, in my opinion, become liable for five years of tax at £3,000 a year, whereas the total revenue for that five-year period would have been £1,500 or £2,000 a year. In the meantime the trustee would have parted with the whole of that income, because he was obliged by law to do so. Therefore, he would have no money to meet that tax and would have to fall back upon the protective sections of the principal Act and in the ultimate would have to endeavour to recover it from the life tenant, who would then have to pay out in the form of land tax more than had been received from the land, because she was not entitled to the capital but only to the income. I do not know whether I have made myself clear, because this is a complicated point. In my opinion that would be the position if the incidence of taxation remained as it is now, that is, the life tenant would not have a benefit except *in futuro* in the sale of subdivisive land. She will get nothing for the last five years but will have to pay the whole tax, which could amount to £15,000 when she received only an income totalling £7,500 to £10,000, which she could well have spent.

Certain sections of the principal Act relate to this matter. Section 33 refers to taxpayers in representative capacity, which includes trustees. Subsection (2) says that any such taxpayer shall not be personally liable for the payment of any tax to any extent beyond the amount or value of any property over which he has any controlling power after the tax becomes payable. I think the trustee is fully protected here. Section 35 (1) says that the burden of the land tax shall be distributed between the taxpayers in the relative proportions of the value of their interests in

the land taxed. As the life tenant has a total interest in the land the life tenant is responsible for the whole tax, as I understand the law and the practice. Section 40 says that every taxpayer shall retain out of any money that comes to him in his representative capacity sufficient to indemnify him against the payments which by the Act he is required to make in his representative capacity. It does not say "may be" but "is". If "is" means "may be", in order to protect the position he would have to obtain more than the income from the land. Section 66 (1) says that all land tax shall, until payment, be a first charge upon the land taxed, in preference to all rates, mortgages, charges, and encumbrances. This means that for the Government the position is protected because it can have recourse to the land.

From my hasty reading of the legislation, the Government is protected, the trustee is probably protected, but the life tenant is not protected. I think the Act should be amended to protect the life tenant because in the circumstances I have outlined she will have to pay the whole of the additional tax when she has received no benefit from the land. She has received only income from rural production, and not income from subdivision. In the future she may get the full value of subdivision, and from then onwards it would not matter. In respect of the preceding five years she would have to bear the liability, but the person who would profit out of the sale by subdivision would be the remainderman. I suggest that in respect only of this arrears of tax, as I call it, up to five years subdivisional rates should be the charge on the land itself only. That would get over a legal technical difficulty. I suggest that progress be reported at this stage, even if it is only for a brief period so that the matter can be further investigated. I believe that a technical amendment is needed.

The Hon. Sir LYELL McEWIN: I have an amendment to this clause which deals with land that has been left by bequest. I am not sure whether that assists the honourable member in his difficulty, but so that we can examine the point I move that progress be reported.

Progress reported; Committee to sit again.
Later:

In Committee.

Clause 7—"Special provision for rural land".

The Hon. Sir ARTHUR RYMILL: Since progress was reported I have had an opportunity to discuss my suggested amendment with the Chief Secretary. The discussion revealed that although it is quite probable that an amendment is necessary it would be difficult to make an immediate amendment. I understand that there is some urgency about the passage of the Bill and I agree that a hastily conceived amendment can be worse in certain circumstances than no amendment at all. Thus, I suggest that instead of our attempting at this late stage to make an amendment the Chief Secretary might consider giving some sort of arrangement that the Government will look further into the matter during the recess and, if found necessary, which I think it will be, introduce an amendment to the Act next session.

The Hon. Sir LYELL McEWIN: Since the matter was last considered further consideration has been given to it by the Treasurer and the Parliamentary Draftsman. All parties concede that there is merit in the suggestion by Sir Arthur Rymill. He now says that it is not easy to make an amendment hurriedly, and I am happy to assure him that the matter will be examined and considered from a taxation point of view. There might be some relationship to the Trustee Act, but the matter will be examined. There is an agreement in principle, and I believe that even the Hon. Mr. Bardolph will concede that there is some merit in the matter. I now move:

After "person" in paragraph (c) of new section 12c (6) to insert "and the transfer or conveyance is not in pursuance of a gift or devise to the spouse, a parent, grandparent or descendant of the taxpayer."

The object of the amendment is to make it clear that a person will not be required to pay the difference between the normal land tax and the lower rural rate for the five-year period where the declared land is transferred or conveyed by way of gift or pursuant to a devise or bequest to a spouse, parent, grandparent or descendant. As honourable members know, the Bill provides that if a taxpayer conveys or sells his declared rural land to anyone else he immediately becomes liable to pay the back tax for a period of up to five years. It is not intended that such a provision should apply where the conveyance or transfer is to a beneficiary under a will or where a person gives the land to such as a spouse, parent or descendant. The amendment will make this intention clear.

The Hon. K. E. J. BARDOLPH: The amendment clearly defines the Government's intentions and the Opposition raises no objection to it.

Suggested amendment carried; clause as suggested to be amended passed.

Clauses 8 to 12 passed.

Clause 13—'Application'.

The Hon. Sir LYELL McEWIN: Subclause (2) was placed in the Bill in the early stages of its consideration, and the measure was before another place in August, but as we are already within 20 days of October 31 I think it is asking too much to have applications in within that time. I therefore move:

That subclause (2) be deleted.

The Hon. K. E. J. BARDOLPH: What will be the position of the taxpayer? More amplification of the amendment is necessary.

The Hon. Sir Arthur Rymill: An applicant can then make a declaration at any time.

The Hon. K. E. J. BARDOLPH: I doubt it, and I want the position amplified.

The Hon. Sir Arthur Rymill: All the subclause is to be deleted.

The Hon. K. E. J. BARDOLPH: Yes, but what protection is there for the taxpayer? I agree that a hasty amendment can have a serious repercussion. There would be no harm in reporting progress so that the implications can be considered.

The Hon. Sir LYELL McEWIN: Most of the implications would be with the Government, not with the taxpayer. If there was a date fixed, it would mean that after that date any application would not be considered. Had the date been shown it would have saved the department much unnecessary work, because before the account would be sent out the application, examination and declaration would have been dealt with. Now it is too late for that, and in consequence the department will be inconvenienced. The Commissioner of Land Tax is satisfied with the exclusion of the provision in this particular subclause because he cannot carry it out.

The Hon. Sir ARTHUR RYMILL: I support the amendment and agree with everything the Chief Secretary has said. I have no qualms about this being a hasty amendment. As the Chief Secretary said, it gives further latitude to the taxpayer, and will enable him to get the benefit of the Bill. I wholeheartedly support the amendment.

The Hon. S. C. BEVAN: It will not be a matter of a taxpayer sending in an application which will be automatically granted, or the declaration being automatically granted. Some time will elapse before the investigation takes place. The point I want clarified is that of retrospectivity operating after June 30, 1962.

The Hon. F. J. POTTER: That is covered by new section 12c. (3).

Suggested amendment carried; clause as amended passed.

Title passed.

Bill reported with suggested amendments. Committee's report adopted.

APPROPRIATION BILL.

Adjourned debate on second reading.

(Continued from October 10. Page 1111.)

The Hon. A. F. KNEEBONE (Central No. 1): May I first express my sincere regret at the circumstances responsible for my appearance in this Chamber. I, of course, refer to the untimely death of the Hon. Frank Condon. I knew him very well and greatly appreciated his sterling qualities as a citizen and a member of Parliament. To the people of this State he rendered long and meritorious service from the time he first entered politics in 1924. I feel that if I discharge my duties as a member of this Chamber with the same integrity and singleness of purpose as the late honourable member I will have done well. Since my introduction to this Chamber I have been encouraged by the very uniform kindness of all members. I want to refer particularly to the Hon. Mr. Edmonds who, when addressing the Chamber on another matter on the day I first came here, made kindly references to me. I appreciated that very much.

I have been impressed by the high standard of the contributions made in the various debates during my short time here. Unfortunately I was not highly impressed by a matter that was introduced last week under the guise of a question. I commend the Hon. Mr. Shard for his forbearance and tolerance for on that occasion he gave more courtesy to both the honourable member concerned and the pseudo question than either warranted. I recognize as I enter Parliament that I do so when the country is going through a serious state of affairs, more serious than we have gone through for some time. I hope that during my service to the people I shall do nothing detrimental to them generally.

Regarding the Estimates, under normal circumstances the Treasurer could possibly have been complimented on this document. However, we are not passing through a time that is normal, but passing through an economic crisis where unemployment is more severe than it has been for many years. This state of affairs has not been brought about by a natural evolution but

by the deliberate action of the Commonwealth Government. That Government early in 1960 by lifting import restrictions flooded this country with many goods, and this in turn upset the overseas credit balances of the country to such an extent that they became dangerous. Instead of the Government reintroducing the import restrictions it instituted a plan to correct the situation by reducing the purchasing power of the people, and the plan did this to a great extent. The credit restrictions introduced in late 1960 have brought about a high degree of unemployment and the official figures quoted do not fully cover the effects of that plan. There are many people who could have registered for unemployment benefits who have not done so because they prefer to seek employment, while others have a small reserve of funds which has assisted them. Some people have been reduced in employment to working only three or four days a week, while others work one week in two or three weeks, and they are not included in those registered as unemployed.

The purchasing power of those people has been considerably reduced. In normal times a person works about 250 days a year; and if one assumes at a conservative estimate that 110,000 are unemployed, then the total working days lost in a year amount to 27,500,000. Assuming a loss in wages of £3 per day per person, one arrives at the tremendous figure of £82,500,000,000 loss of purchasing power. In my experience of industrial matters the Commonwealth Government raises its hands in horror at the thought of some disruption of industry by an industrial dispute with a loss of two or three days. Usually the newspapers are full of the fact that so many people lost two or three days' work and indicate the loss to the country because of this. But what of the situation where there is unemployment? If we are content to sit down and whistle for a wind or something like that things may improve in the future, but something should be done in the meantime. In my capacity in the trade union movement it is my unfortunate experience to grapple first-hand with the misery and the many problems caused by unemployment. I know of people who are searching for work and unable to find it. The industry in which I am particularly interested is the printing industry, and in my many years' experience of that industry, I have never seen unemployment in that industry as it exists today. When unemployment affects that type of industry there must be severe unemployment in other industries.

In common with the statement attributed to the Commonwealth Treasurer, the South Australian Treasurer said that he had confidence in the future and that the worst of the economic crisis has passed. He said the most important ingredient for a rapid recovery was probably not physical or financial but an attitude of mind, confidence. I cannot agree with him that the worst is passed. In taking into account the number of unemployed today I am considering, as some people do not, the number of young people who will be leaving school in two or three months' time. There must be thousands of boys and girls who will be looking for a job after leaving school. Where are the jobs to be found for these young people, and for those people who are walking the streets looking for work at present? The picture that is conjured up does not inspire any confidence. We are informed, as the Hon. Mr. Shard said yesterday, that the Radium Hill project is likely to close down in December. What an unhappy Christmas for the unfortunate people there!

The Treasurer has estimated in the Budget that there will be a small surplus, but it would have been more in keeping with the serious nature of the present economic crisis if he had made more funds available to finance some of the major projects which we hear so much about. Although this would mean budgeting for a deficit, I do not see any objection to that under present-day circumstances. The unemployment situation is so serious that anything that can be done to assist the position should be done immediately. Coinciding with the report that Radium Hill was likely to be closed down was an announcement, practically on the same day, that a major development was likely on Torrens Island. This was to be a new thermal power station. The man in the street could be excused for thinking that this would take care of the Radium Hill people who are being put off. However, nothing is farther from the fact, as we all know. This project is very much like many other projects of which we hear. No target date has yet been fixed for it. Our experience is on these lines: we hear a lot of talk about these things before we see any action taken. My own experience with regard to one or two of these statements of the Treasurer may prove interesting to the Council. For some years now I have been hearing of proposals to re-build the Government Printing Office and all sorts of sites have been mentioned. I can think of three or four sites that have been mentioned in the last 10 years for the

re-building of the Government Printing Office and these rumours have gone on and on. At last we saw a report in the *News* of October 3 that the Treasurer had made a statement regarding the Government Printing Office. The report reads:

The Premier, Sir Thomas Playford, today revealed the type of building to be built as South Australia's new Government Printing Office just outside the city . . . The building at Thebarton would be an extensive single-storey structure on a three-acre site. The single-storey layout was planned so that printing machinery could be housed easily . . . The site is part of a seven-acre area occupied by the E. & W. S. Department between the Bakewell bridge and the Thebarton Police Barracks. Sir Thomas said a target date for a shift to the new building had not yet been set.

From my own perusal of the Estimates now under discussion that building is not likely to be erected during the present financial year. I may be wrong, but I can find no reference to this project.

The present Government Printing Office, I believe, was built in about 1865. In about 1916 it was found that the original building was not sufficiently large to carry on the work of printing expeditiously for the Government and it was then decided to build a larger office and additions were made. No major additions have been made to the printing office in the past 45 years. I have been through the building on a number of occasions and I know that work is carried on there under difficulties. The building is totally inadequate to house the machinery, the facilities and amenities do not approach modern standards, and I believe they only just came within the very meagre provisions of the Industrial Code. Furthermore, because of the lack of space, other Government buildings within the metropolitan area have to be used to store some of the material used for the production of work done in the Government Printing Office. The crowding in the building causes danger hazards which should not be permitted. Stacks of paper, etc., are strewn around because there is no other place in which to put them and this causes danger hazards that should not be countenanced.

I say these things because I believe it is necessary to push on with these programmes and the Government Printing Office performs a very important function for the Government. I look forward to the time when text books used in the State schools are standardized because, when they are not uniform—which is the position today—the cost of educating the children from a parent's point of view is

greater than it should be. I have heard of circumstances where, because the breadwinner has to move from one area to another to find employment and in doing so transfers his children from one school to another, he is faced with added costs he can ill-afford because different text books are used in the different schools. I sincerely hope that when the new Government Printing Office is eventually built sufficient space will be made available to provide facilities and amenities complying with modern standards provided in industry generally.

When the Government builds this new single-storey structure it is talking about I hope the building will be of such a nature that provision is made for future expansion. This should be done by providing foundations that will in future allow for the construction of further storeys if they are found to be necessary. I can understand that the building of a printing office on a single-storey basis is in accord with modern ideas because it obviates unnecessary shifting of the work from floor to floor as it progresses. The work can go in one door, travel over the whole area and pass out the other door as a finished product. I suggest that, if in future more space is required and provision were made for more than one storey, the offices and amenities such as lunch rooms, etc., that should be provided could be placed on the second floor and that would provide more space.

Another project that has often been mentioned is that of a new public library. If it were possible I would say that the library building is in an even worse state than the Government Printing Office. In the *Advertiser* of October 4, reference was made to the report of the Libraries Board which has been tabled in another place. That annual report stated that it was believed that plans for a new public library building in North Terrace would be considered by the Public Works Committee in a few months. Here again I have examined the Estimates and can see no provision for the re-building of the Public Library. The following report appears in the *Advertiser* of October 4:

The Minister of Education (Mr. Pattinson) tabled the annual report of the Libraries Board of South Australia in the Assembly yesterday.

The Government proposes that the £500,000 proposed new building should be of three storeys with foundations sufficient to carry an extra three storeys in future. The new building would face North Terrace, have a side

entrance to Kintore Avenue, and would provide a total increased area of 134,400 sq. ft. of floor space.

The report describes the library's accommodation problem as desperate. In converting old stables to provide storage rooms for books, the board has used up its last near-derelict building.

A staff loss of 50 occurred at the Public Library last financial year including 43 resignations, four dismissals and three retirements. There has been a loss by resignation of 34 per cent of the professional staff during the year and almost two-thirds of these took place after small salary increases were announced.

The salaries at almost all levels for qualified staff are still the lowest in the Commonwealth and are much below those paid in the only other comparable library in the State, the report says.

Under present conditions it is surprising that the staff carries on as well as it does.

The reference, research and archives sections of the Public Library and Government Department libraries all have totally inadequate work space. In Government Department libraries, librarians share cramped quarters with clerical officers who are not connected with the library. All sections have filled their storage space for books and periodicals and continue to suffer from lack of properly trained staff.

During the year 1,075,212 books were lent through the South Australian Public Library system. Of this total, about 750,000 books came from the lending division of the Public Library and the rest from subsidized libraries. Lending through subsidized libraries was 58 per cent greater than in the previous year.

The number of inquiries dealt with by the library research service increased by 50 per cent and the number of bibliographies prepared and posted increased by more than 100 per cent above the previous year. While lack of experienced staff continues to be a problem the inadequacy of the collection is a major source of difficulty in answering inquiries. To overcome this lack it is necessary to borrow heavily from other libraries and to obtain microfilm copies of information from libraries in other States and overseas.

I submit that the situation at the Public Library is deplorable. When it is stated that the employees at the library are paid less than those holding similar positions elsewhere, I am amazed, but perhaps I should not be, because I have been in the industrial movement for a long time and I have experienced the attitude of some people towards the payment of adequate wages. Also, it does not surprise me because in many sections of South Australian industry the employees are the lowest paid in Australia. The following letter appeared in the *Advertiser* of October 6 and was addressed to the Editor by Mr. Wallace Kirsop, of the University of Sydney:

Recently I visited Adelaide to work on a research project. Much of my time was spent in the Public Library, where I was most courteously and efficiently helped by the library staff.

However, I was embarrassed to discover that the facilities for research workers are so poor that the librarians are put to considerable personal inconvenience to provide visitors with acceptable conditions for study. As time went on, I found this was one of the least of the drawbacks of a building that is totally inadequate for a major library.

The disparity between the wealth of the collections and the unsuitable way in which they are housed is quite striking. Countless works of reference, acquired at great expense in many cases, are constantly exposed to all the hazards of fire, dust and variations in climatic conditions. Space in the main building has long since been exhausted, and many books have been relegated to stores.

The investments of past (and seemingly wiser) Governments and of the Friends of the Public Library (long the only organization of its kind in the country) are being gradually dissipated.

This situation should be intolerable to the citizens of Adelaide. A State that starves its libraries inevitably condemns its university and its education system to mediocrity. In a world where technical skill and specialized knowledge are more and more called for, the consequences of such neglect should be obvious, and need no further comment.

I agree that the situation is bad and with the views he puts forward. Apparently he knows something about libraries and his views are condemnatory of the position existing here. One section of the library worthy of mention, of which probably the writer of that letter would not know much, is the book-binding section, which is housed in the basement of the library in unsuitable quarters, uncongenial to the workers who are doing a magnificent job. Their work is most important to the library and to the State. They do a remarkable job in the restoration and repairing of valuable and almost irreplaceable works of literary art and other important documents. Many books are re-bound to a higher standard than when purchased by the library because they are in the form of a cheap edition. Although for a considerable time there has been talk of a new building being erected for the library, we have seen no real progress towards its commencement. I hope that adequate and modern facilities will be provided for all sections of the staff. I urge the Government to push ahead with some of the projects about which we hear so much, even if this necessitates budgeting for a deficit. This is urgent, not only because of the projects in themselves, but because of the number of unemployed people. We often hear the Treasurer, when speaking on television once

a week, talking about some of these projects. Labor Party members feel that some of these projects should be proceeded with and thereby relieve the unemployment that exists in this State. I support the Bill.

The Hon. A. J. MELROSE secured the adjournment of the debate.

ARTIFICIAL BREEDING BILL.

Second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary): I move:

That this Bill be now read a second time.

The object of this Bill is to establish a board (to be known as The Artificial Breeding Board) to establish, maintain and operate artificial insemination centres and to promote the use of artificial insemination in the breeding of stock. The Bill is introduced following the report of a Special Advisory Committee appointed in April of last year by the Government to consider future policy on artificial breeding in the State. That committee, under the chairmanship of the Chief of the Division of Animal Industry of the Department of Agriculture consisted of four producers and breeders, a veterinary surgeon, the chief inspector of stock and chief dairy adviser of the department and in addition a veterinary officer of the department as a co-opted member. The committee examined material from all States and some overseas countries, invited and received submissions from interested persons and organizations and placed a full report to the Government in November last. In brief the committee unanimously recommended the establishment of an artificial breeding service, the authority to consist of a board representation of producers businesses and veterinary interests.

I shall not burden the Council with a detailed account of the committee's report, but would mention that there has been an insistent demand for some years for the widespread adoption of artificial breeding throughout the State. A pilot unit was started in 1958 in the centre based on Adelaide, in 1959 centres were established in the district of Mount Barker, Myponga and Eight Mile Creek and with further expansion during the past year a total of some 9,000 cows were artificially bred and indeed so great has been the demand that the Government recently approved of a further extension. In its report the Committee estimates that a State-wide artificial breeding service would within ten years expect to face a demand of the order of some 50,000 cows.

The advantages of artificial insemination over natural breeding are, briefly stated—a reduction of infertility problems, improved control of diseases, a wide availability of better sires, a reduction in the number of bulls kept on farms and in general better husbandry practices. The committee therefore recommended that some permanent form of organization should be established. It considered a wholly departmental service, a partial departmental service, a co-operative authority, semi-Government instrumentalities and other forms of organization. Taking full account of the structure and practice of the dairy industry in this State it came to the unanimous conclusion that the most practical organization would be an artificial breeding board along the lines of the proposals in this Bill which as I have said will establish an authority which will take over the experimental service hitherto conducted by the Department of Agriculture with the land, live-stock, structures and facilities which the Government has been establishing at Northfield.

With regard to finance the committee estimated that within two years of commencing operations the proposed Board's annual income should approximate £80,000 and should exceed £120,000 within five years. The committee therefore reported that the proposed authority would require financial assistance to cover capital costs and running expenses for a period of up to five years within which it should become self supporting. I believe that the principle of the Bill will be supported by all members of this Council since the establishment of the proposed authority will make a great contribution to one of the State's important primary industries.

I come now to the main provisions of the Bill. Clauses 4 to 12 inclusive provide for the establishment of the board which will consist of a chairman and four other members. One of the members must be a veterinary surgeon holding the qualifications set out in section 17 (1) (a) of the Veterinary Surgeons Act and at least two of the other four are to be persons whose business is the raising of stock. The qualifications of the veterinary surgeon member are that he be the holder of a degree or diploma in veterinary surgery of the Royal College in Great Britain or any university in Australia or New Zealand. The chairman and members will hold office for four years but be eligible for reappointment. Clauses 8, 9 and 10 deal with casual vacancies, quorum, and the validity of acts of the board. Clause 12 deals with meetings of the board.

Clause 11 provides for remuneration of the board which however together with all costs of administration of the Act are by clause 16 to be paid out of revenue received.

Clauses 13, 14 and 15 provide for appointment of a director and staff with provisions for superannuation. Clause 17 provides that the board is not to be a department of the Government or to represent the Crown, nor are the chairman, members or employees of the board to be subject to the Public Service Act. Clause 18 empowers the Treasurer to make advances not exceeding in the total £150,000 during the first five financial years of the board's existence to enable it to meet initial expenditures. As I have said, it is anticipated that the board will become a going concern within about five years of its commencement but it is obvious that to enable it to operate **during that period it will need Government**

assistance. Clauses 19, 20 and 21 provide for accounts and an annual report, while clause 22 empowers the Governor, a Minister or other public authority to permit the board to use land, buildings or plant or equipment. Clause 23 provides that the Public Supply and Tender Act shall not apply to purchases by the board. The duties and functions of the board are set out in clause 24. Clause 25 applies the Stock Diseases Act to the board and its operations and clause 26 empowers the makings of regulations. I commend the Bill to honourable members.

The Hon. G. O'H. GILES secured the adjournment of the debate.

ADJOURNMENT.

At 6.10 p.m. the Council adjourned until Thursday, October 12, at 2.15 p.m.