LEGISLATIVE COUNCIL.

Wednesday, October 17, 1962.

The PRESIDENT (Hon. L. H. Densley) took the Chair at 2.15 p.m. and read prayers.

QUESTIONS.

PARKING.

The Hon. K. E. J. BARDOLPH: There appears to be some misapprehension in the public mind as to the utilization of the park lands for car parking. Will the Government seek a firm understanding from the Adelaide City Council, which is vested by Statute as the custodian of the park lands, that there will be no further encroachment for that purpose?

The Hon. Sir LYELL McEWIN: I will refer the question to the Acting Minister of Local Government.

PEST CONTROL.

The Hon. C. R. STORY: Has the Chief Secretary, representing the Minister of Agriculture, a reply to my question of October 2 regarding the control of red scale and San Jose scale?

The Hon. Sir LYELL McEWIN: As I advised the honourable member previously, this matter was under consideration by the Minister of Agriculture and I referred it to him, and I have a reply stating that legislation dealing with red scale is being prepared for Cabinet consideration. This is almost identical with a Bill recently passed by Parliament dealing with the oriental fruit moth. The possibility of also dealing with San Jose scale by similar legislation is now being considered.

NEW YEAR'S EVE HOLIDAY.

The Hon. K. E. J. BARDOLPH: New Year's Eve has been declared a public holiday in New South Wales. Will the Government consider making a similar declaration for this State?

The Hon. Sir LYELL McEWIN: The dates set aside for holidays during the Christmas and New Year period have already been decided and gazetted in the *Government Gazette*. We have another day as a holiday between Christmas Day and New Year's Day that other States do not have. We do not necessarily follow automatically what another State does. We have other holidays set aside. If the honourable member wants any further information I will get it for him.

COUNCIL'S STANDING ORDERS.

The Hon. K. E. J. BARDOLPH: As the manual containing the Rules and Standing Orders of this Chamber is becoming one of threads and patches by amendments being pasted throughout its pages, can the President assure honourable members that a reprint will be completed and distributed to all members and indicate the reasons for the apparent long delay?

The PRESIDENT: The work has been edited and placed in proper order and is in the Government Printer's hands, and I think it will be available before very long.

DRUGS.

The Hon. K. E. J. BARDOLPH: On October 3 I asked the Minister of Health whether the pharmacopoeia relating to drug standards could be examined. Has the Minister a reply following on the investigations he promised he would make?

The Hon. Sir LYELL McEWIN: The honourable member asked whether I would take this matter up with the State Ministers of Health. I obtained a report from the Director-General of Public Health as follows:

Standards for the purity of drugs are uniform throughout Australia, and are those of the British Pharmacopoeia and the British Pharmaceutic Codex. Availability of drugs is controlled under the Dangerous Drugs Act, and the Food and Drugs Act and the poisons regulations thereunder. Similar legislation exists in all other States, and constant efforts are made through the National Health and Medical Research Council to assure uniformity throughout Australia.

Legislation to permit more effective control of new drugs is at present before Parliament. Drugs are classified, according to their known or suspected dangers, broadly into those for medical, dental or veterinary use only and those available for purchase by the public. Cautionary labelling is also prescribed where necessary. The Commonwealth has set up a Poisons Advisory Panel of six experts (including two South Australians) to advise on the degree of control needed for each new drug before it comes on the market.

That report supports what I said in my previous reply, that there was a considerable amount of collaboration between the States to achieve uniformity regarding drugs.

HIRE-PURCHASE AGREEMENTS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 10. Page 1345.)

The Hon. F. J. POTTER (Central No. 2): I support the second reading, because I agree

in principle with nearly all the matters that are endeavoured to be covered by the Bill. However, I wish to say at the outset that I consider that the Bill is so badly drafted that I would not be prepared to support the third reading unless some drastic alterations were made in the wording of the Bill. It is not a question of bad drafting, because that could occur in the best of drafting circles, but real questions of substance are involved in the Bill.

The Hon. K. E. J. Bardolph: It was drawn by a legal practitioner.

The Hon. F. J. POTTER: I understand it did not emanate from legal men on our side. There seems to be some secret as to who was responsible for it. After reading some of the debates in another place on the Estimates I noticed that Opposition members requested the Government to consider the appointment of a second Assistant Parliamentary Draftsman so that he would be available to assist them in drafting Bills.

The Hon. K. E. J. Bardolph: You are decrying members of your own profession.

The Hon. F. J. POTTER: If this Bill is a sample of the best that can be done it is a good reason why we should have a second Assistant Parliamentary Draftsman.

The Hon. C. R. Story: Do you suggest that the person who drafted it was holding down two jobs?

The Hon. F. J. POTTER: I think he was holding about six jobs, because I will point out real defects in the Bill.

The Hon. K. E. J. Bardolph: Do you imply that it is not legally drawn?

The Hon. F. J. POTTER: In his second reading speech the Hon. Mr. Shard said that the Bill had been given mature consideration. He made what I suggest is an extraordinary statement about traders and financiers in this State and alleged that they had evaded the provisions of the Hire-Purchase Agreements Act. He said speaking of the Bill:

> Its purpose is to prevent hire-purchase traders and financiers in South Australia from evading the provisions of the Hire-Purchase Agreements Act. Some companies are evading the provisions of the Act by executing what are, in effect, bills of sale.

From that one would think that the only method that could be legitimately adopted in the sale of goods on credit was the hire-purchase method. I suggest that there is no question that traders and financiers are evading the Act. Some are properly avoiding it, and are entitled to do that if they wish. I do not know whether Mr. Shard's remarks reminded members of what I said in 1960 on a Bill dealing with hire-purchase business. In the second reading debate then I said:

> To deprive an owner completely of all rights of entering upon premises for the purpose of re-taking possession of his own goods leaves him entirely without any legal remedy other than to sue for the balance of the money which is owing.

and later:

> If owners of goods are to be completely deprived of their rights, even of peaceable repossession of goods, I think there is no reason at all why they should even bother to enter into a hire-purchase transaction. They would be far better off by lending their advance under what we call a "bill of sale," which is only the technical term for a mortgage over goods and chattels. Under a bill of sale transaction they could gain far better protection and could include in the bill of sale rights to enter, forcibly or otherwise, and seize the goods the subject of the bill.

Back in 1960 I forecast what traders and financiers were likely to do if we made the provisions of the Act too restrictive. Members know what has occurred. Traders have been selling goods on a bill of sale basis, or by some looser form of agreement. The first matter dealt with by the Bill is the selling of goods on a bill of sale basis. The Leader said:

> These bills of sale are not in the form stipulated by the Bills of Sale Act and, consequently, are not eligible for registration under this Act.

In South Australia non-registration does not in any way affect the validity of the bill of sale. It means that in the absence of registration the vendor has not the same priority against creditors in insolvency as he would if the bill were registered. Of course, under a bill of sale, whether in registrable form or not, a person may have the right to seize goods. When we look at it, this seems to be the gravamen of the complaint made by the Leader. He said:

> The owner may, however, under the agreement, enter premises and repossess the goods and sell them to satisfy the balance of the purchase price and, again, none of the protections so carefully provided by this Council in the Hire-Purchase Agreements Act, 1960, apply.

That is what all members of the Labor Party, who support the Bill, complain about. They do not like the conditions under a bill of sale, particularly an unregistered one, because it gives power to a person to respossess goods. Clause 3, which deals with this matter, is so wide in its operation as to be positively dangerous. It states:

Any agreement made after the commencement of the Hire-Purchase Agreements Act Amendment Act, 1962, which operates as a bill of sale within the meaning of the Bills of Sale Act, 1886-1940, but is not in registrable form pursuant to the provisions of that Act shall be wholly unenforceable by the grantee thereof.

Let us for a moment endeavour to see the implications of this amendment. Firstly, it states "any agreement". The Hire-Purchase Agreements Act does not define what an agreement is. Therefore, we would, in this particular context, have to assume that the word "agreement" carries its ordinary definition and that it means anything at all which is in that form of an agreement between two parties. The amendment states "an agreement which operates as a bill of sale".

The Hon. S. C. Bevan: That would not apply if it was registered.

The Hon. F. J. POTTER: I am coming to that point if the honourable member will listen. Normally a bill of sale is not an agreement at all. In the first schedule of the Bills of Sale Act there is a sort of draft form of bill, and that is certainly not an agreement. It is a document which is signed only by the grantor of the bill. Clause 2 of the Bills of Sale Act defines "bill of sale" as follows:

"Bill of sale" shall include bills of sale, assignments, transfers, declarations of trust without transfer, inventories of goods, with receipt thereto attached, or receipts for purchase-moneys of goods and other assurances of personal chattels, and also powers of attorney, authorities, or licences to take possession of personal chattels as security for any debt, and also any agreement, whether intended or not to be followed by the execution of any other instrument by which a right in equity to any personal chattels, or to any charge or security thereon shall be conferred . . .

That is a wide definition and covers all manner of documents. What is more, the Act does not prescribe any particular form, but states that every bill of sale, the registration of which shall be necessary, shall be executed in duplicate, and may be in the form in the first schedule. There is no compulsion to use that particular form. Indeed, the expression "registrable form" is a very difficult one to understand.

For a bill of sale to be in registrable form it must contain the names of the parties, their residences or places of business and occupations; it must state the consideration and whether or not it is for an antecedent or contemporaneous advance; it must contain a description of the personal chattels comprised therein and where those personal chattels are situated, and it must include the sums (if any) secured thereby. A bill of sale shall not be registered unless it contains those particulars. It appears easy to draw up a bill in registrable form and I do not know whether or not members of the Opposition think that traders and financiers are silly, but even this carefully worded amendment can be avoided by taking a bill of sale in registrable form—that is using the form in the first schedule in connection with the sale of goods. The amendment would then not touch the situation at all. It would be a bill of sale, in registrable form but it would not have to be registered and would not be covered by this particular provision.

The Hon. K. E. J. Bardolph: Under the present Act it is not mandatory to do that. People are getting around the registering of them.

The Hon. F. J. POTTER: It is so simple. If this amendment is carried that is the only result that you will achieve. It means traders will say, "I will take a bill of sale in registrable form and that is all there is to it."

The Hon. S. C. Bevan: I agree with that, otherwise it is a hire-purchase transaction.

The Hon. F. J. POTTER: No. This has nothing to do with hire-purchase transactions. This amendment covers any agreement and an agreement is not defined under the Hire-Purchase Agreements Act. Many agreements could operate, in effect, as unregistrable bills—if I may use that expression. They could include all manner of agreements, perhaps some of them not connected with goods at all, which could be technically unregistrable bills of sale under the definition in the Act.

The Hon. G. O'H. Giles: Or registrable bills of sale? That is, either of them.

The Hon. F. J. POTTER: Yes, but if you have the bill of sale in a registrable form this amendment does not apply. It only applies to the non-registrable form.

The Hon. K. E. J. Bardolph: It would catch the person who refuses to register a bill of sale.

The Hon. F. J. POTTER: It catches many transactions and many documents which may not be related to an actual sale transaction on credit.

The Hon. K. E. J. Bardolph: Don't you think that is a good thing?

The Hon. F. J. POTTER: I certainly do not. The agreement will be unenforceable in

every respect if this wording is left as it is, although it may have nothing at all to do with a transaction for the sale of goods, even though there may have been some obligation to pay money incurred under that particular unregistrable bill of sale.

The Hon. K. E. J. Bardolph: Would you mind explaining why it will be unenforceable?

The Hon. F. J. POTTER: Yes. I will paraphrase the provision. Any agreement which is not in registrable form made after the hire-purchase transaction is wholly unenforceable. That is ridiculous. I noticed in another place that the Premier had obtained reports on this particular matter from the Prices Commissioner and the Parliamentary Draftsman. Both reports were unanimous that this affected so much the Bills of Sale Act that it really was an amendment to that Act and it should not be here; and secondly, the Parliamentary Draftsman said what I am saying now, that the whole thing is too wide. If honourable members will look at their files they will see that I have endeavoured to extricate the drafting of this Bill from this difficulty. What the Leader of the Opposition is really annoyed about and wants to stop relates to the repossessing of goods. I suggest that after "Any" at the beginning of the proposed new section 46a could be inserted "authority" or "licence to take possession of personal chattels contained in any". This would mean that only the authority to take possession of chattels contained in any agreement is not enforceable. To say that the whole agreement is to be completely enforceable seems too far away from the provisions of the Act and is far greater than we should allow. I should not think of voting for the third reading if that provision remains as it is.

Although I think there is justification for including section 46b, it is mainly directed to what might be called an old agreement, an agreement before the Act was passed in 1960. It has come to my knowledge that there are some unscrupulous firms which are asking people to pay money which they very well know would not be recoverable in a court of law.

The Hon. K. E. J. Bardolph: They are using gangster tactics.

The Hon. F. J. POTTER: I have not attempted to amend this clause as drafted, because I do not know what "knowingly makes a demand on the hirer" means. What the draftsman is trying to say is, "any person who makes a demand for an amount that he knows is in excess of what is due to him."

The Hon. A. J. Shard: A demand for the return of an article for which a person had paid cash. It often happens.

The Hon. F. J. POTTER: New section 46b says "any person who knowingly makes demand upon the hirer of goods . . . of any sum in excess of the amount properly due to the owner." What the person who drafted the section meant to say was, "Any person who makes a demand for an amount that he knows is excessive."

The Hon. A. J. Shard: What about a financier asking for payment twice for an article? There are plenty of them about.

The Hon. F. J. POTTER: I am not proposing any alteration to this, but it is not the best of provisions. New section 46c deals with the difficulties arising over the "floor plan". In the interests of the public generally it is a subject that should be dealt with in legislation of this kind. Perhaps the matter was not considered at great length when the original Bill was before Parliament, otherwise there would have been something included in that measure. The wording of section 46c is so involved that I am sure it will not really achieve what is desired. I ask honourable members to look at the preamble, because section 46c says "where a person who is engaged in the trade of selling or hiring goods (in this section referred to as 'the trader') is in possession of goods with the knowledge and consent of the true owner thereof and that owner is a money-lender licensed pursuant to the Money-lenders Act" . . . You must have a trader who must be in possession of goods with the knowledge and consent of the true owner, and the owner must be a licensed money-lender. The rest of the section attempts to deal with the position of the trader in those circumstances. Paragraph (*a*) of 46b includes the following:

> Any hire-purchase agreement or agreement for letting those goods made by the trader acting in the ordinary course of his business shall be as valid as if the trader were expressly authorized by the true owner of the goods to enter into such agreement . . .

That is an agreement for hiring or letting. I have no complaint about the wording of paragraph (*a*). The third thing a trader can do is actually to sell the goods and that is what is intended to be covered in paragraph (*b*), but this is an awful rigmarole. I do not know where one can possibly link up in the second sentence the words "which goods". I do not know what the "which" refers to—"which goods are the subject of a hire-purchase agreement (notwithstanding the exception under paragraph

(*b*) to the definition of 'hire-purchase agreement' contained in section 2 of this Act)'' . . . If one looks at subsection (2) one will see that the hire-purchase agreement under which the goods are acquired by a person engaged in trade and business are not goods which are the subject of a hire-purchase agreement. If one was to make sense of it one should say which goods are or would be the subject of a hire-purchase agreement if it were not for the definition in subsection (2). In other words, the word ''notwithstanding'' is actually a complete opposite to what the draftsman intended to say.

There is a simple way of overcoming the position. Let us eschew this awful preliminary and make the thing start off with the same words as in paragraph (*b*) and start at the point ''any sale by the trader of goods to a *bona fide* purchaser for value shall be deemed to be a valid sale . . . There is no difficulty about the preamble, because the goods in the first place are there in his possession with the knowledge and consent of the true owner, thus as a bailee or on licence on a hire-purchase agreement or under a bill of sale. They are there with the consent and knowledge of the true owner and that is all they need be. It will make the wording intelligible if it is amended in that way. I have also suggested that ''indictable'' should be struck out of subsection (2) (*b*) of new section 46c and that ''punishable'' should be inserted in lieu thereof, because that is really what is intended. We do not have offences that are indictable at common law. In trying to protect people who might suffer I have redrafted new subsection (2) (*c*). If members examine that they will see that my redraft really means substantially the same thing as is already there, but I point out to the Leader that paragraph (*c*) in its present form says:

> The rights given by this section to a purchaser . . .

Why they should only be given to a purchaser is beyond me. I do not know why they should not also be given to the hirer. However, it is only provided that the rights ''shall be in addition to any rights he may otherwise have at law.'' First of all, I query the word ''purchaser'', which does not go far enough, and secondly I query also the words, ''at law''. One must never forget that section 46c is limited in its operation to the case where the goods are from an owner who is a licensed money-lender. It is quite possible and common that goods would be in the possession of a trader from an owner who is not a licensed money-lender. It may be that he is not engaged in the sort of business that brings him within the provisions of the Money-lenders Act.

If there are people outside this provision, who may be the owners of goods (and it is perfectly obvious to anybody who stops to think for a minute that there are), then purchasers or hirers from traders who have got goods in those circumstances might very well have their legal rights taken away from them or restricted by this clause as it stands. One of the important cases that gave the impetus to this amendment was the case of *General Distributors Limited v. Paramotors Ltd.* and if one examines the reports of the judgment given by the Full Court in that action he will see that His Honor the Chief Justice (Sir Mellis Napier) said in connection with that particular matter:

> The Sale of Goods Act, 1895-1936 (s. 21) provides that ''where goods are sold by a person who is not the owner thereof, who does not sell them under the authority or with the consent of the owner, the buyer acquires no better title to the goods than the seller had, unless the owner of the goods is by his conduct precluded from denying the seller's authority to sell.'' In the view that I take of the evidence it might well be that the plaintiff company would have been estopped from denying Beesley's authority to sell and deliver the car to a customer entering his show room, seeing it there, and purchasing it in good faith.

The Chief Justice then quoted the authority for that proposition. As honourable members may recall, the real point at issue in that decision was whether the goods or the car had been acquired in the ordinary course of business. I take issue with the expression ''at law'' in the Bill. A person not covered by this section may have rights at common law and perhaps at equity, but he certainly would have a right, if the Chief Justice is correct, under the Sale of Goods Act. Therefore, to leave the matter in this form is to take away from that person the rights he had and, consequently, I have redrafted paragraph (*c*) with a view to protecting people from that particular circumstance, and I shall move this amendment in Committee.

The Hon. A. J. Shard: Could we have a copy of that?

The Hon. F. J. POTTER: The amendments are on the files. I hope all honourable members will seriously consider the matters I have raised, particularly the most important of all (the one in clause 3 dealing with bills of sale) because that is quite outside the provisions of the Hire-Purchase Agreements Act. However, as I said at the beginning of my speech, there

are matters of principle here that I think justify the Leader of the Opposition in moving this particular Bill and, for the sake of getting it into the Committee stage, I certainly will support the second reading.

The Hon. C. R. STORY secured the adjournment of the debate.

THE ELECTRICITY TRUST OF SOUTH AUSTRALIA (TORRENS ISLAND POWER STATION) BILL.

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

LOANS TO PRODUCERS ACT AMENDMENT BILL.

Read a third time and passed.

EXPLOSIVES ACT AMENDMENT BILL.

Read a third time and passed.

HOUSING LOANS REDEMPTION FUND BILL.

Adjourned debate on second reading.

(Continued from October 9. Page 1309.)

The Hon. C. R. STORY (Midland): I give this Bill my blessing. It carries out a Government election promise and is another of the benefits given to young people by the Playford Government. The wisdom of the action has been seen and I think the scheme has been accepted by all Council members. It gives young people the opportunity to own a house, which is a right that should not be denied to anyone. I am pleased the Opposition has approved the legislation and blessed it as I have done. Young people cannot always save sufficient money to purchase a house, and they find it difficult to get finance up to about £4,000 in these days. The Government has done what it said it would do and originally considered young people up to the age of 25 years, so that the loan could be repaid by the time they reached 65. Now the scheme has been extended to young people up to 36 years of age, which is an additional benefit. Incorporated in the scheme is an insurance that ensures that the widow will retain the ownership of the house on the death of the breadwinner. This is one of the really great pieces of socialistic legislation approved by this Parliament. I see nothing but good in the Bill and wholeheartedly support it, as do all members of the Liberal Party.

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

HOMES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 9. Page 1310.)

The Hon. C. R. STORY (Midland): This Bill deals with the housing of our people. All members conscious of their Parliamentary responsibilities must be seized with the importance of housing legislation. Clause 3 amends the principal Act by altering the period for the repayment of loans from 30 years to 50 years. The period of 50 years was inserted in another place as the result of an Opposition amendment. It is a peculiar period, and I do not know that any authority would lend money for so many years. It would be unlikely that the original owners would still be in the house and many of the houses built today would not have a great resale value at the end of the 50 years, but no doubt the provision will please some people. I do not object to the period, because I support any practical legislation to assist the housing of our people. Liberal Party policy is to assist people to own their houses, and that is why we are pleased with the Bill. The argument advanced by people who think 50 years is a good term is that the payments will be spread over a longer period, and that the purchaser will pay a little less each week, but I doubt whether that will be so in practice.

The Hon. Sir Arthur Rymill: There will be a little less being paid off the principal but more interest will be paid,

The Hon. C. R. STORY: Yes. It is desirable that our people should have security and the Bill goes some way towards assisting them to own their houses. I support the Bill.

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

IMPOUNDING ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 9. Page 1310.)

The Hon. R. R. WILSON (Northern): It is interesting to see how various Acts are brought before Parliament to be amended. Under the principal Act the scales of rates and charges have been unaltered since 1920 and are obviously out of line with current values. The major purpose of this Bill is to increase the penalties, fees and charges for damage done by trespassing stock and an increase is long overdue. Some people would sooner pay trivial fines and have the use of the feed on reserves, parks and the "long paddock"—a general term for the roads.

The mention of the impounding of stock brings memories of the early days of this century when more heavy stock were kept than today. Draught horses were the only means of power used and light horses were used for transport. However, many farmers kept cattle to keep down the storekeeper's account, which in those days was paid every 12 months, and to provide some spending money.

The Bill was introduced into the House of Assembly early in August but was not at first acceptable because of the suggested large increases in penalties. These have now been reduced by 50 per cent. Public pounds in the early days were located in almost every town of any size but today there are few pounds throughout the country although a new one is being erected at Georgetown. In those days the ranger was the most unpopular man in the district, and was prepared to exclude himself from all sporting and social life. It was difficult to find a person to do the work, but the more stock he impounded the more the job was worth. He would round up any straying stock—motor transport of course was not available—and he would have a good horse and a stock whip and could drive them into the pound.

This Bill has my support because local government and the Local Government Advisory Committee have recommended the amendments. Under the present Act trespassing stock impounded on a person's property could be kept no longer than three days, but this provision has been altered to seven days because of the difficulty in tracing owners of such stock. Heavy losses have resulted to many stock-owners, who have spent large sums of money in purchasing or breeding valuable cattle and sheep, by scrub stock becoming mixed with well-bred and stud stock. The large prices paid at the Royal Show for well-bred stock make one realize how much is spent by owners to improve their own stock. It is the careless man who is usually the cause of the damage because that man usually has bad fences. No-one can assess the cost of the damage done when scrub-bred stock become mixed up with well-bred stock. The increases in the penalties will not compensate the owner for the damage.

The provision for owners of impounded stock to be advised by post will be of great advantage, as it will not be necessary to give personal notice or leave a notice at the last-known place of residence. This will save much time and inconvenience. There is always the danger of straying stock on roads and highways causing serious accidents and damage to motor vehicles travelling at high speeds. There is also the danger of straying stock spreading diseases such as foot-rot, which is a highly contagious disease.

Among the animals mentioned in the Bill are horses, cows and sheep of various sexes and kinds, and the pig, goat, camel, mule, ass and deer. The impounding and sustenance fees and charges are mentioned for each of these animals, but there is one animal which is not included and which probably causes more damage on roads than any other. I had an experience a few weeks ago with this animal which cost me over £50 to have my vehicle repaired, and insurance company officials inform me that they have more claims for damages done by this particular animal than for anything else. I refer to the kangaroo, and I hope it will be included in future Bills. I support the second reading.

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

EDUCATION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 16. Page 1442.)

The Hon. A. F. KNEEBONE (Central No. 1): This Bill is mainly concerned with improving the conditions of long service leave for schoolteachers and to remove anomalies from the principal Act. The amendments proposed are very desirable and for that reason I support the Bill. Clause 3(*a*) and (*b*) will give teachers the right to take double long service leave on half-pay instead of being required, as at present, to take the leave on the basis of full pay. This will bring teachers into line with officers who come under the Public Service Act.

Another important amendment is contained in clause 3(*c*) and (*d*). At present teachers are limited to 270 days long service leave and the amendment provides that those who teach for more than 35 years will be entitled to an extra nine days long service leave for every year beyond the 35 years' service. This could increase considerably the entitlement of a teacher who commences teaching at the age of about 20 years. Teachers who retire at 65 years will have considerably more long service leave due to them than they are entitled to now. The amendment in clause 4(*d*) inserts a new subsection in section 18(*c*) of the principal Act and provides for the

carry-over of long service leave rights of a teacher of the South Australian Institute of Technology if he transfers to the Education Department, just as applies when an officer of the Public Service under the Public Service Act transfers from another department to the Education Department. I believe that this will eliminate an anomaly. The amendments will improve the long service leave conditions of a section of the community that is doing a particularly fine job in teaching our children. They do not always receive proper recognition for their conscientious attention to their duties. The general high educational standard and the very low failure rate of our children are evidence of the fine efforts of the teachers. This Bill will improve their long service leave conditions and is to be commended. It should receive the support of all honourable members and therefore I have much pleasure in supporting it.

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

MARINE ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 16. Page 1443.)

The Hon. S. C. BEVAN (Central No. 1): The principal Act was enacted in 1936 and was amended in 1947 and 1957. This is very important legislation, the object of which is to provide uniform conditions in all States. Although uniform legislation may be a good thing in much of our legislation, it does not necessarily mean that there should be complete uniformity between the States of all legislation. I contend that we must consider State needs as conditions alter. It is proposed to amend section 14 of the principal Act in reference to regulations. It will also broaden the present definition of those things that should be governed by regulation. There is nothing in the parent Act relative to the actual number of engineers, mates and masters that may be carried on a ship. The Bill also deals with the stability of vessels and there is nothing in the original Act touching on this. The suggested amendments are commendable.

I draw honourable members' attention to section 19 of the principal Act and in this regard the Bill proposes to delete the words "South Australia" last occurring and to insert "according to the scale or scales prescribed". A slight amendment is proposed to section 19, and I draw the Minister's attention to the wording of the amendment. The clause deals with certificates for masters and mates, and if we read the section we shall find the following wording: "if she is registered in South Australia". The words "South Australia" are to be deleted and the wording in the section will then be "if she is registered in according to the following scale." The word "in" should also be deleted or the word "according" should be altered to "accordance". It should read, "if she is registered according to the following scale".

The Hon. Sir Arthur Rymill: We should alter "to" to "with" if we use the wording "in accordance".

The Hon. S. C. BEVAN: It should be "in accordance with" or "according to". A similar amendment is provided in clause 5 and that should also be taken into consideration, because the amendment does not provide for the section to read correctly. Section 26 deals with the cancellation of certificates and provides:

> If any master, mate, or engineer holding a certificate granted by the board is convicted of any felony or misdemeanour, the board may cancel the certificate.

The words "may cancel" are used, but some difficulty might be experienced in this matter. The "board" means the South Australian Harbors Board and at present we may have holders of certificates that are issued outside South Australia by another authority over which our board has no jurisdiction in the matter of cancelling certificates. The board might be able to suspend a certificate, but it would have no jurisdiction to cancel a certificate. The amendment contained in clause 6 takes care of that contingency and provides the board with power to cancel a certificate held by a master if it were considered that that course were warranted.

I believe clause 8 is very important. It deals with new section 85a and this is important, because it provides for stability tests for new vessels. No provision exists in South Australia for stability tests and the amendment is long overdue. In October, 1959, a South Australian coastal vessel turned over off Cowell and five men lost their lives. If this legislation had been in operation at the time of the launching of that vessel in all probability that accident would not have occurred and five lives would have been saved. I understand that some tests were made with that vessel when it left the slips and was launched. However, we did not have the stability tests provided in this Bill. Ships built in other States and plying the Australian coast are covered by Commonwealth legislation which provides for stability tests for vessels engaged in the coastal trade.

The tests provided for in this Bill will be in the nature of the vessel being tested for stability and seaworthiness prior to entering the trade. Vessels will first of all be taken to sea without ballast and tested in that manner. They will then be tested with ballast and the vessel will be ballasted on one side and tested with a list to starboard and then with the ballasting on the port side with the list to port. Provision is made for the information gained from the tests to be placed in the vessel for the guidance of masters when loading or unloading or carrying part cargoes. The master will have full information regarding the stability of the vessel, and he will know full well what its stability is. This is a most important amendment to the Act and I heartily support it.

Further important amendments are provided by clauses 9, 10, 11, 12 and 13, which all deal with the setting up and the constitution of a court of marine inquiry. Clause 9 is the main clause setting up the court, and the other clauses are incidental, but they deal with the various functions of the court of inquiry. At present the court consists of a special magistrate and two assessors who are selected from a panel and must possess nautical and engineering knowledge. They participate in all proceedings before the court. They put questions to witnesses and assist the magistrate in reaching a decision. The court does not meet frequently. For a number of years after 1936 it was not called together, but over the last five years I think there have been three inquiries. Collisions of ships and other troubles do not occur often in our coastal waters, and that is why the court has not met frequently.

The legislation has operated since 1936 and no-one can say that the court has not been just and fair in its few decisions. I have learned that there have been no controversies over the findings of the court. The person appearing before the court may have felt that he has been harshly dealt with, but knowing the circumstances of the case he has accepted the decision and considered that he had fair treatment. There have been no appeals against the court's decisions. Under the principal Act the magistrate and the two assessors can determine matters of compensation, in addition to making decisions on charges. The decisions of the court are important to all concerned. I suggest that they have been satisfactory, particularly in regard to compensation payments.

The present magistrate is Mr. L. F. J. Johnston of the Port Adelaide Local Court. He has sat on the court for many years, has a knowledge of marine matters, and his fairness cannot be faulted. He has a considerable knowledge of the matters that come before the court, and is held in high esteem by all concerned. Because of his great ability, the service he has rendered, and the high esteem in which he is held, he may be soon appointed to a higher position. Then South Australia would have to appoint another magistrate, perhaps with little experience and knowledge of marine matters. He would be at a loss to understand marine terms fully. However, under present circumstances he would have two assessors, who are specialists, to advise him. It may be said that that would apply under the Bill, but because of the present set-up and the satisfactory way in which the court has operated I do not think a change is necessary.

The Bill has been introduced solely for the purpose of uniformity. I understand that it came from a conference of Ministers of Marine, but Victoria has so far taken no action towards uniformity. Apparently its legislation is regarded as applicable to the prevailing circumstances, and I think our legislation meets our conditions. A court of marine inquiry is different from any other court, because its inquiries are restricted to matters affecting South Australian coastal waters. There would not be a large number of cases coming before this court, which has been constituted of specialists for many years. The assessors have to be specialists, as is the special magistrate. If the amendment is passed this court will be constituted of a special magistrate with assessors assisting him as advisers only and with no other responsibility. This could mean that assessors will lose interest in the proceedings. They will not be able to cross-examine a witness and if they wish to ask a question they will have to request the magistrate to ask it for them. The magistrate may not understand the ramifications of the question being directed to the witness. It may be difficult to obtain assessors because the law cannot force people to act as assessors. The court as at present constituted has met all the requirements of this State and there should be no alteration just for the sake of uniformity.

At present three persons arrive at a decision after hearing all the evidence at the inquiry. The decision is not always unanimous. If a special magistrate constitutes the court the assessors will advise him, but he may not accept or act on their advice. It would be possible

for the magistrate to give a decision contrary to the advice of the assessors. The assessors could not do anything about it under this amendment. I intend to support the second reading, but in Committee shall move the deletion of clauses 9 to 13 inclusive. Authorities on this matter in this State do not want the present set-up changed. This amendment has been introduced not because there is anything wrong with the present constitution of the court but because it has been considered that there should be uniformity between the States.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

COMPANIES BILL.

Adjourned debate on second reading.

(Continued from October 16. Page 1444.)

The Hon. Sir ARTHUR RYMILL (Central No. 2): I know that all members of this Chamber feel a good deal of responsibility in respect of Bills that are introduced in the Council. In relation to this Bill I, while feeling that responsibility in common with other members, feel that I have somewhat of a particular responsibility in this case, because I do feel that I am, by virtue of the occupations I have followed over the past 30 or more years, in a position to have some specialist knowledge of this Act. I say that because for over 25 years I practised as a company lawyer, among other things, and for a similar period have been a director of companies, and thus I have seen both sides of company legislation, the theory of it and also how it works in practice.

Feeling that responsibility, I have taken the pains to examine the legislation exhaustively. The process which I adopted was, firstly to read through the whole of the proposed new Act; secondly, to make my own comparison with the old Act where I felt it was necessary; thirdly, I read the comparison of the old Act which has been prepared by the Assistant Parliamentary Draftsman; and fourthly, and only fourthly, I perused various submissions that have been made by other people and considered the various representations that have been made. I deliberately used that process because I felt I should arrive at my own conclusions first, and that then having those things in mind I should have the benefit of the knowledge of other people in relation to this matter. It has certainly been a marathon task. As the Hon. Mr. Bardolph pointed out, there are 399 clauses covering 306 pages and in addition there are 10 schedules covering another 47 very closely printed pages in very small type. It has been a fairly exhaustive and exhausting job to try to discharge what I regard as my duty. Having done that, it is now my responsibility to try to explain to the Chamber anything that I found in that process or impart any ideas I have. I feel very much the lack of any index to the Bill. The Hon. Mr. Bardolph pointed out that apart from the Local Government Act, of which we had a reproduction some years ago, this is probably the biggest measure we have dealt with for a long time. Whereas one can read through an Act reasonably intelligently, it is hard to go back and put your finger on any passage of which you have not made a note, especially when someone asks you about a particular passage, unless you have an index.

Clause 3 relates to the various parts into which the Bill is divided, but does not necessarily give one the clue where to find anything. Without an index I felt most inhibited in doing my homework. I went to the trouble of getting the Victorian and New South Wales Acts and neither had an index. I feel sure that this will be rectified at an early date.

In South Australia it is customary to print in the annual volume of the Statutes in which they appear a complete index of the Acts. Because of the lack of an index to the Companies Act, it will be hard in practice to find where the various sections are included. I have gone much more fully into this Bill than I would feel necessary in discharging my duties as a member, and having done that I hope that honourable members will do me the honour of investigating anything that I may bring before their notice. I believe that people who are specialists in these matters have a special duty to the Council in drawing members' attention to particular parts so that they shall be equally capable, with the specialists, of judging the particular clause to which attention is drawn. I do not intend to frustrate or do anything that will frustrate the operations of this legislation. On the contrary, I hope to make any contribution that I can for its smoother working. I propose to deal with the Bill in general terms and be more specific in Committee.

I have heard many criticisms of this Bill outside the Chamber. Some of them have been constructive, and some otherwise. Quite a few of the constructive criticisms have already been

adopted by the Government, and I should like to think that they are doing it on behalf of those people interested in companies. Some of the criticisms have been right and proper, whereas others, in my opinion, have been exaggerated. Some I found related to the provisions existing in the present legislation. I do not hold that against those who made the criticism. It would be hard to suggest amendments in respect of legislation that has been existing for some time. I have considered all the representations made to me, but most of the amendments I propose to offer in Committee are the result of my own experience. If I may offer my own assessment of the Bill, it is that I think it is like the proverbial curate's egg—good in parts. I know some people in the commercial world who would sooner not have this Bill. I have tried to analyse my own feelings in this regard and I have come to the conclusion that the Bill, with all its faults and virtues, is probably better than the existing legislation.

I approached the Bill in a somewhat analytical frame of mind, and I must say that it is quite a deal better than I expected, with all the stories that have been circulated about it. We must bear in mind that it was in the main drafted in the Eastern States, but what is suitable in the bigger States is not necessarily suitable for us.

I should like to deal with certain contents of the Bill more specifically, but again in a general manner rather than deal with particular clauses. First, I will refer to the fees under the Bill. Fees for the registration of companies have been heavily increased. I am indebted to a friend in the legal profession for the comparison I have before me. I do not propose to read all of it, but shall ask leave in a moment to have it incorporated in *Hansard*. It reveals that in relation to a company with a nominal capital of £5,000 the present fee is £13 on incorporation and under the new measure it will be £20, and for a foreign company £10. For a company with a nominal capital of £500,000 the present fee is £91 15s. and the new fee on incorporation will be £315, which is more than three times as much, and the fee on registration of a foreign company is £157 10s. With a company of £10,000,000 capital the present fee is a maximum of £500, and the new fee will be £2,690 and for the registration of any foreign company £1,345. This statement enlarges on that a little and I ask leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

Comparison of present S.A. capital fees and new Act capital fees on registration of a company and on registration of foreign companies.

Nominal capital.	Present S.A. fees on incorporation.	New Act fees on incorporation.	New Act fees on registration as a foreign company.
£	£ s. d.	£ s. d.	£ s. d.
5,000	13 0 0	20 0 0	10 0 0
100,000	36 15 0	115 0 0	57 10 0
200,000	61 15 0	165 0 0	82 10 0
500,000	91 15 0	315 0 0	157 10 0
1,000,000	141 15 0	440 0 0	220 0 0
5,000,000	Maximum £500	1,440 0 0	720 0 0
10,000,000		2,690 0 0	1,345 0 0

NOTES:

1. S.A. maximum under 1892 Act was £50. This was increased to £200 by the 1934 Act. In 1958 the maximum was increased to £500.
2. For foreign companies registered in S.A., the 1934 Act imposed fees varying from £5 to a maximum of £25. In 1958 these were increased to a minimum of £10 and a maximum of £50.

The Hon. Sir ARTHUR RYMILL: Briefly, my attitude on this question is this. I understand that representations have been made to the Government to have the fees lowered, but those representations have been rejected. These fees, with the exception of those for foreign companies, have been adopted in other States. This could be a money Bill in this relationship, but I do not like beating the air in this Chamber. If the Government has considered this matter and rejected it, I do not think it is my duty to take it any further. If the Government considers those fees are reasonable, that is that as far as I am concerned, because I know that if I moved any amendment it would get nowhere anyway.

However, I point out that Queensland has altered the fees relating to foreign companies

and has reduced them. I am informed that the fees provided in the Queensland Act are the same until we get to a company with a capital of £500,000, and then the fee for registration of share capital after the first £500,000 is one shilling a thousand pounds instead of two shillings and sixpence a thousand pounds as in this Bill and the Acts passed by several other States. I draw the Government's attention to that in case it is not already aware of it. If the Government thinks something should be done about it, that is up to the Government.

The Hon. K. E. J. Bardolph: Each State has the right to determine the fees payable.

The Hon. Sir ARTHUR RYMILL: Yes, and I think it is very proper that each State should have that right. The Government has told us it is prepared to consider any reasonable amendments and that, too, is proper. I certainly shall submit certain amendments to the Bill and I will deal with them further in due course. The next general item I wish to debate is the penalties provided in the Bill, and I wish to express an opinion on this. My considered opinion is that they are much too severe. Again I am indebted to a legal friend for a comparison between the penalties contained in the Bill and those applying in the old Act and again I propose to ask leave to have the statement incorporated in *Hansard*. As regards filing returns of allotments the present penalty under the South Australian Act is £20 and the Bill provides for a penalty of £200 plus £50 a day. That is a very severe penalty although admittedly these are maximum penalties. For a director failing to declare interest in contracts the present penalty is £50 and the new penalty is £500. For failing to file a special resolution within one month the present penalty is £2 but the new penalty is £50 plus £10 a day. For failure to sign minutes—which could easily be, of course, a matter of oversight—no penalty is at present provided, but the Bill provides for £100 plus £10 a day. I ask leave to have that statement incorporated in *Hansard* without my reading it.

Leave granted.

Penalties imposed by the Act for offences involving mere inadvertence.

Subject.	Present penalty under S.A.	New Act penalty.	New Act section.
Filing return of allotments	£20	£200 plus £50 per day	54 (7)
Company giving financial assistance for purchase of its own shares	£50	£500 or 3 months	67 (3)
Failure to register a charge within one month	£20	£50 plus £10 per day	101
Keeping register of charges and making entries in Register of Charges	£20	£100 plus £10 per day	107
Director failing to acquire or ceasing to hold share qualification	Nil	£200 plus £10 per day	116
Director to declare interest in contracts	£50	£500	123
Failure to keep register of directors' shareholdings in related companies	Not applicable	£500 and £10 per day	126 (3)
Failure of director to disclose matters which should be in register of director's shareholdings	Not applicable	£500	127
Filing special resolution within one month	£2	£50 plus £10 per day	146
Failure to sign minutes	None	£100 plus £10 per day	148
Filing annual return	£5	£100 plus £10 per day	158
Failure to follow section 184 procedure on take-over offer	None	3 months or £500	184
Failure by a foreign company to comply with any provision of Division 3 or Part XI	£20 and £2 per day	£50 and £10 per day	361

The Hon. Sir ARTHUR RYMILL: My comment on that is this. The practice of the courts of law is to assess penalties in relation to the maxima prescribed and thus, if the courts are dealing with a trivial case, they will take into account what is the maximum penalty, and the higher the maximum the higher is the penalty likely to be imposed for a trivial case. I intend handling this not by moving an amendment, but by asking the Government to give an undertaking that if my fears, which I know are shared by some other members, are realized and the penalties imposed by courts are pretty severe, it will give us an opportunity of dealing with the legislation.

I have criticized the Bill, but I wish to say that it has many virtues. I do not propose to traverse these in detail, but there are quite a few new features that I could enumerate. I will enumerate one or two of them shortly. That is why, as I said before, I think I would sooner have this proposed Act than the existing Act. The intention is quite apparent in many cases that the Bill proposes to cover up any openings against fraud or malpractices. That is virtuous as long as it is not carried too far, but we all know there is a tendency in modern legislation to legislate for exceptional cases, and the old adage "hard cases make bad laws" is very true. I shall give a classic example in the Committee stages of where I think the Bill goes too far. However, there are many new provisions in the Bill that will considerably improve the company law.

As the Hon. Mr. Bardolph also said yesterday, this is in essence a Committee Bill and that is why I wanted to deal with it here in general terms. I do not propose to deal at this stage with the amendments I intend moving. I may touch on one or two in passing, but I will be brief in those references. I will see that my amendments are placed on honourable members' files as early as possible to give them every opportunity to consider them. In passing, I wish to deal with one or two clauses. The right to alter a memorandum of association of a company is strictly limited at present, but this is made much easier by clause 21 of the Bill, and that represents a great advance. That is one of the virtuous things. The present Act provides that the word "Limited" is to be written in full in the name of all companies, but that may be abbreviated under the provisions of this Bill to "Ltd." That provision originally existed in the 1892 Act, but has not applied since 1934. The Bill also allows other abbreviations such as "Pty." and "Coy." That is a good provision, because everyone knows what those abbreviations mean.

I draw members' attention to a peculiar passage appearing in clause 38. I cannot understand it and I find that my legal friends with whom I have discussed it also cannot understand it. Clause 38 (1) provides:

> No invitation to the public to deposit money with, or to lend money to, any corporation shall be made unless a debenture is intended to be issued . . .

Subclause (2) provides that where an invitation is made to the public to deposit money with or lend money to any corporation the invitation shall state that the document to be issued acknowledging the deposit is to be an unsecured note or an unsecured deposit note, as the case may be, and shall not state that such document is to be a debenture. The first subclause provides that an invitation cannot be made to the public unless the company is able to issue a debenture with it, and the second subclause provides that if a debenture is issued the company must not state that it is a debenture.

The Hon. F. J. Potter: It is even more peculiar if you look at the definition.

The Hon. Sir ARTHUR RYMILL: The definition of "debenture" includes almost anything, and that is the normal thing in company law. I have had occasion to look into this matter previously. It appears to me that the draftsman has confused debentures with charges, and *vice versa*. In one part he says it is a charge and in another he says it is a debenture. I do not know the reason for that, and it seems to be extraordinary.

The Hon. F. J. Potter: I had a note to put "subject to subsections (2) and (3)" in front of subsection (1).

The Hon. Sir ARTHUR RYMILL: I have not looked at it that way, but it is a matter we should tie up if we can. Clause 113 (3) states:

> Every company shall paint or affix and keep painted or affixed on the outside of every office or place in which its business is carried on, in a conspicuous position in letters easily legible, its name, and also, in the case of the registered office, the words "Registered Office" and if it fails so to do the company shall be guilty of an offence against this Act.

If the name of the company is put up I cannot see the virtue of having the words "Registered Office" there as well. If the intention is to let people serving notices know that that is the registered office, why have it outside the building? Why not have it inside? Some

beautiful buildings have been erected in Adelaide in recent years and it would be a pity if the words "Registered Office" had to be placed in the front of those buildings in a prominent position. It would detract from the look of the buildings.

The Hon. K. E. J. Bardolph: It means outside the entrance to the office.

The Hon. Sir ARTHUR RYMILL: I shall leave it to the architects, who understand these matters. I merely mention it as a matter of interest. Clause 118 is a new provision in South Australia and relates to elections of directors being conducted separately. There is provision that in a poll the election of directors need not be dealt with separately. There is also provision for a prior resolution to deal with them all together. I do not know how it will work. If there were three nominees for two seats I do not know how the elections could be held separately. I suppose the other provision could be invoked or a resolution passed that the elections be dealt with together. I do not propose to challenge this provision. If it does not work I hope we shall have an opportunity to review it later.

Clause 144 provides in certain cases for 21 days' notice to be given of special resolutions, instead of 14 days as at present. I do not know what advantage that will be, because I think the 14 days' notice has worked well. I have not heard anyone complain that it was not long enough. Again I do not propose to take any action. I repeat that the matters I am mentioning now are not the matters I propose to have discussed in Committee. I do not want to have two debates on my amendments. We shall have an opportunity to discuss them at the appropriate time.

Earlier I referred to clause 148, which provides the penalty for not signing minutes of proceedings at meetings. Subclause (4) provides for a penalty for default, but I think it would have been better to have said "wilful default". Default can take place as a result of sheer inadvertence. Minute books are often loose leaf affairs, and it would be possible to turn over two pages at the one time. A person doing that and not getting the minutes signed could be subjected to a drastic penalty. In clause 156 (2) there is a curious provision. It is not in the present Act, although the new subclause follows almost the same wording as the provision in the existing Act. It says:

> Any trustee, executor or administrator of the estate of any deceased person who was equitably entitled to a share in any corporation being a share registered in a register or branch register kept in the State may, with the consent of the corporation and of the registered holder of that share, become registered as the holder of the share as trustee, executor or administrator . . .

How a trustee of an estate of a deceased person being entitled to a share of that deceased person's estate can get the consent of the person who is deceased, in order to permit his being registered as a trustee, passes my comprehension. I do not know whether I have misread the provision. I have compared it with the present Act and perhaps I have read it wrongly, or it may be that this matter has passed the experts in the drafting.

The Hon. F. J. Potter: It may have referred to joint holders, one of whom is deceased.

The Hon. Sir ARTHUR RYMILL: It does not say that, but I do not think it could refer to joint holders, because the trustee would not be entitled to be registered. It seems to me that a trustee of a deceased person's estate cannot be registered under this provision until he gets the consent of the deceased person. Clause 339 says that no investment company shall purchase shares in another investment company. That provision is not in the existing legislation, but it is a good one because it stops the chain holding of shares. Experts on the 1929 depression felt that the depression was triggered off by the chain holding of shares. As I understand it, what happened in the United States of America in those days was that an investment body purchased shares in a trading company, and that another investment body purchased shares in that investment body, and then another purchased shares in the last body, and so on. For every real share there could have been eight to 10 shares in investment companies. I understand from people who know more about these things than I do that that was one of the vital factors causing the 1929 depression. Whether that is correct I do not know, but I feel that this is a good provision because it stops an investment company from holding shares in another investment company.

Finally, I congratulate the Government on its solution of the question of private companies and how to retain private companies in this State. The problem has been solved by some bright person or persons inserting part XIII. It is a very good way of doing it. It does not spoil the Act, but has added to it. A private individual does not have to reveal his affairs, and I see no reason why, for instance, a private investment company should have to file a balance sheet.

The Hon. K. E. J. Bardolph: I believe that in Victoria they are also inserting a similar section for private companies.

The Hon. Sir ARTHUR RYMILL: I imagine that other States will follow this example now that South Australia has initiated it because it is a very good thing. I think that another good thing, as the Attorney-General has told me, is that each State is ensuring that the numbers of the sections remain the same even if amendments are made to the Act, so that if one looks at, say, section 141 in the South Australian Act then the same substance will be found in section 141 of the Act in the other States. Regarding private companies, I understand that one of the main reasons for the alteration of the existing law is that some word should be included in the name of each company to draw the public's attention to the fact that it is privately-owned.

That is why private companies as such will cease to exist and proprietary companies will be substituted for them, and the word "Proprietary" will be in the name of each company. I suppose that is a good thing and I do not cavil at it at all. My experience in dealing with the public, however, is that most of them do not know the difference anyhow and if they did they would not care. Prudent people trading with companies find out as much about the stability of those companies as they can and trade accordingly. They will not give them extended credit if they are not creditworthy, and I would not think the differentiation of names in commercial practice would be a great advantage. However, it sounds all right in theory and probably will not do any harm.

I shall introduce my amendments later, but will give every honourable member the opportunity of knowing in full what I intend to do when that time arrives. In the meantime I support the second reading and congratulate the Government on the amendments which have been made to get uniform legislation. I hope that the Government will give the most serious attention to my amendments, which I strongly believe will improve the Act and will not interfere with its smooth working in any way. On the contrary, I believe they will assist the Act to work more smoothly.

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

MINES AND WORKS INSPECTION ACT AMENDMENT BILL.

Returned from the House of Assembly without amendment.

ADJOURNMENT.

At 4.42 p.m. the Council adjourned until Thursday, October 18, at 2.15 p.m.