LEGISLATIVE COUNCIL

Wednesday, November 10, 1965.

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

ASSENT TO BILLS.

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

Constitution Act Amendment (Ministers),
Foot and Mouth Disease Eradication Fund Act Amendment,
Marketing of Eggs Act Amendment.

QUESTION

ROSEWORTHY AGRICULTURAL COLLEGE.

The Hon. M. B. DAWKINS: Has the Minister of Transport, representing the Minister of Works, a reply to my question of November 2 regarding the provision of amenities in the old block at Roseworthy Agricultural College?

The Hon. A. F. KNEEBONE: My colleague, the Minister of Works, has furnished me with the following report from the Director, Public Buildings Department:

The remodelling of the ablution and laundry block is included in the second phase of extensive alterations to the Roseworthy Agricultural College. This particular work involves the complete reconstruction of the block internally and the college authorities have agreed that they would be able to cope with the needs of the students on a restricted basis during the period of reconstruction. The work is being undertaken by a combination of departmental workmen and private firms specializing in certain classes of building work. The work was commenced in July, 1965, and is scheduled for completion in mid-December, 1965. It is regretted that some delay has occurred in having the specialized trades carried out, but continuity of the work will now be maintained until completion date.

STATUTES AMENDMENT (PUBLIC SALARIES) BILL.

Read a third time and passed.

COUNTRY FACTORIES ACT AMENDMENT BILL.

Read a third time and passed.

INHERITANCE (FAMILY PROVISION) BILL.

Adjourned debate on second reading.

(Continued from November 9. Page 2638.)

The Hon. C. R. STORY (Midland): If I may put it this way, this Bill is quite a departure from the present law, but interesting from the angle of how complicated things can get in the matter of inheritance. As I see it, many situations are not covered even in this Bill, and from the various new categories placed in it I am sure that those who drew it up must have attempted to deal with every situation.

We have listened to some excellent speeches by legal members of this Chamber. They are the people to whom we must listen, as they have practised in the law under the old Act. I think it fair to say that under the old Act there were many things that ought to have been looked at and perhaps amended in the way that the earlier portion of this Bill attempts to do, but, as a layman, I cannot see what the Government is driving at in relation to some of the later categories. The provisions of clause 5 vary considerably from the present, and paragraphs (*g*), (*h*), (*i*) and (*j*) are completely new provisions. It is in relation to clause 5 that I am somewhat at variance with the Government. This clause sets out the persons entitled to claim under the Act, and the first category is the spouse of a deceased person. That is perfectly clear and I do not disagree with it, but it seems to me that we need some clarification in relation to the category mentioned in paragraph (*b*):

a person who has been divorced (whether before or after the commencement of this Act) by or from the deceased person;

I should like to have an explanation in relation to the words "by or from". The categories of people entitled to divorces were changed two years ago. Previously, the person described as "the innocent party" was clearly defined, but under the amended divorce law a separation provides a ground for divorce. I do not see how there can be a guilty party and an innocent party in such a case, as this is a sort of mutual agreement that the law takes into account. If the words "by or from" in paragraph (*b*) were defined, it would be much easier for honourable members to give their judgment. I do not disagree with paragraph (*c*), which provides that the child of a deceased person is entitled to claim.

The Hon. Sir Lyell McEwin: This looks like a pedigree clause.

The Hon. C. R. STORY: It does. I am sure that Mr. G. O'Halloran Giles, M.H.R., a former member of this Chamber, who kept strict records of the breeding of his jersey cattle and took great pride in them, would have had some difficulty in working out the genesis of his stock if faced with a set of rules like this.

The Hon. S. C. Bevan: He was dealing with a different sort of stock.

The Hon. C. R. STORY: The difference seems to be that as this stock has two legs it is supposed to be intelligent, but that does not appear to be so. I am in agreement with the portion that mentions the child of a deceased person, and also that part regarding a legally adopted child of a deceased person as such a child should have exactly the same rights as any other child. Paragraph (*f*) reads:

An illegitimate child of the deceased person—

(i) If the deceased person was the mother or was by an affiliation order adjudged the father;

This seems to create difficulties. I have the greatest sympathy for such children, although I cannot say that I would have the same sympathy for the parents. I think people should be made to stand up to their responsibilities in such matters. It can become complicated when illegitimate children actually rank with the legitimate children of a person, as was pointed out yesterday, by way of interjection, by Mr. Potter. Sometimes a court cannot define the father of the child and it may decide that one, two or more persons may have been the father of the child, and each may be ordered to pay maintenance to the mother.

The Hon. S. C. Bevan: Only one can be made to pay maintenance.

The Hon. C. R. STORY: That is not so, because the courts sometimes have not been able to establish the actual fatherhood. Several persons might have been involved and it could not be proved which of them was responsible.

The Hon. F. J. Potter: If the honourable member examines the new Maintenance Act on the file he will see that it could be one or more.

The Hon. C. R. STORY: That is so; the court may find that several males were involved, but it could not be clearly proved which person was the father of the child. Each male involved would be required to make a contribution towards the child's welfare. If that child received a legacy from the maternal grandmother, and such legacy was placed in trust until the child reached the age of 19 years, it is possible that the child might die at 18 years and any one of those persons would be entitled to claim on the estate. In my opinion, the scope is far too wide in the matter of family inheritance, and I think that this should be restricted to the limits of the law as it exists today, plus some categories not at present contained in that law. Paragraphs (*g*), (*i*) and (*j*) read:

(*g*) A child of a spouse of the deceased person by any former marriage of such spouse;

(*i*) Where the deceased person was a legitimate child, a parent of the deceased person;

(*j*) Where the deceased person was an illegitimate child—

(i) The mother of the deceased person; and

(ii) A person adjudged by an affiliation order to be the father of the deceased person.

That does bring in many categories. A man who has married an alleged widow or divorcee may have some family of his own. He dies after a period of six or seven years and that alleged widow or divorcee can suddenly bob up with two illegitimate children, of whom the deceased husband knew nothing, and they can make a claim in court for an equal share of the estate with the legitimate children of that marriage. They had nothing at all to do with this deceased man, who was hoodwinked by the mother and did not know that these children existed. There must be some provision to ensure that the stepfather, in this type of case, and his estate are protected so that this sort of thing cannot happen. We are going very wide in this definition. As I said earlier, I have absolutely no brief for people who do not honour their obligations towards their own illegitimate children but, when a man marries a divorcee who suddenly brings into the family fold a couple of illegitimate children about whom the man knew nothing and who have a right to a share in the estate along with his own children, that is stretching it a long way. Some amendments on the file would improve this Bill no end. I do not say that all its provisions are not good, because some of them are, but I cannot go along with clause 5 as at present drafted.

There are other provisions in the Bill that I believe help to clarify the present position. For instance, the time of 12 months within which it is necessary to bring an action before the court is long enough: in fact, it is probably a little too long. I point out to the Minister that much expense and anguish can be caused to legitimate beneficiaries by some of these provisions because, if one of these illegitimate children not belonging to the person whose estate is directly involved happens to turn up, the settlement of that estate can be held up for a considerable time. Whilst I do not say that

I shall not support this Bill, I am certainly not prepared to approve of it in its present form. I shall look carefully at the amendments on the file, because clause 5 in particular is unacceptable to me. As an ordinary layman with a family, I feel worried about the succession of what my parents and I have put together when I think that some of these provisions can actually become law. Therefore, I support the second reading but reserve the right to support amendments later.

The Hon. H. K. KEMP secured the adjournment of the debate.

CROWN LANDS ACT AMENDMENT BILL.

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

The Hon. S. C. BEVAN (Minister of Local Government): I move:

That this bill be now read a second time.

Its object is to amend the Crown Lands Act, 1929-1960, by making three major amendments thereto as follows:

(*a*) By clause 5 a new section 6b is inserted in the principal Act providing that, where an agreement is entered into between the State and the Commonwealth for the acquisition by the Commonwealth of Crown lands, a land grant or lease, etc., executed by the Governor shall be valid and effectual to vest the land in the Commonwealth. This procedure, if adopted, would simplify the issue of titles where land was purchased or acquired by the Commonwealth. It would also enable Crown lands to be sold to the Commonwealth without first being offered at auction and for leases to be issued to the Commonwealth without the need to call for general application by the public. At present only miscellaneous leases for grazing and cultivation may be allotted without gazettal but the Commonwealth does not require this kind of lease. The method mostly used when Crown lands are being transferred to the Commonwealth is that of compulsory acquisition, though sometimes the methods of transfer as surplus lands under section 262a and dedication and issue of a grant for Commonwealth purposes are employed. These methods are, however, cumbersome and unsatisfactory. The proposed new section 6b is modelled on section 8 of the Commonwealth Lands Acquisition Act. By sections 8 and 54 of the Crown Lands Act all minerals, etc., are reserved to the Crown. This clause, accordingly, negatives the effect of those sections by conferring the power to transfer mineral rights.

(*b*) By clause 22 a new section 228b is inserted in the principal Act and provision is made for Crown lands to be sold at reasonable prices to certain corporate bodies, such as the War Service Homes Commission and the South Australian Housing Trust. This would avoid the necessity of offering the land for sale by public auction, which must be done as the law now stands. A provision similar to the instant one is to be found in section 35a (1) of the Irrigation Act, 1930-1946.

(*c*) Clause 24 inserts a new subsection in section 232 (*h*) of the principal Act and provides that the Minister when selling any Crown land in the town of Whyalla and other towns [by virtue of section 234a (3)] has power wholly or partially to remit or vary any of the conditions including the power to extend a condition as to the time in which a purchaser must erect premises on the land. It is felt that such a power is necessary and desirable in cases where purchasers who have every intention of fulfilling the conditions are prevented from erecting their premises by circumstances beyond their control. Provision is also made to ensure that the grant of an extension of time for the foregoing purpose does not prejudice the right of the Crown to cancel the land grant. Apart from these major amendments the following clauses which are principally designed to remove anomalies and improve the administration of the Act deserve comment.

Clause 4 amends section 5 (*e*) of the principal Act and provides for the resumption of the land without necessarily cancelling the grant. When lands dedicated and granted for school purposes and other public purposes are no longer required no simple method exists whereby these lands may be disposed of and it is desired to obtain the necessary power to dispose of lands of this nature as surplus lands similar to provisions of section 262a of the principal Act. There does not appear to be any necessity to cancel the existing land grant which could be transferred and the trust extinguished and a new title issued by the Registrar-General.

As regards the insertion of a new paragraph (e1) in section 5, this confers power upon the Governor by proclamation to free from the trusts and where necessary cancel the grant of any lands set apart for a particular purpose where the lands are not used for that purpose. It is considered that such a power is necessary to enable the Crown to deal with reserves no longer required for the purpose for which the land was set apart. There are many cases

where lands have been set apart for some particular purpose and granted but such lands have not been dedicated by proclamation. If such lands have been dedicated by proclamation, power is contained in section 5 (*e*) to cancel the grant and resume dedicated lands which are not used or required for the dedicated purpose, etc.

Prior to 1875 there was no power in the State legislation to dedicate by proclamation and often land was gazetted on trust to trustees for a public and charitable purpose. In course of time, trustees died or moved out of the State and if it was desired to transfer title the only possible method open was to invoke section 5 (*b*) but this was useful only if the land was required for the public benefit and use. Section 37 of the Trustee Act could not be used if the personal representatives of the last surviving trustee could not be traced. The provision in clause 28 of the Bill is also material in this connection.

Clause 6: The amendment proposed by this clause is to insert a new paragraph (v) in section 9 of the principal Act to enable the Minister to authorize any officer to enter upon lands held from the Crown. Clause 7 repeals section 14 of the principal Act and substitutes a new section 14 which provides for the appointment by the Minister of a deputy chairman. Clause 8 amends section 15 of the principal Act by deleting the provision that the Chairman of the board shall have a casting as well as a deliberative vote. It is not considered necessary or desirable that the Chairman should retain this additional voting power.

Clause 9 repeals sections 23a and 23b of the principal Act since the Crown Lands Development Act, 1943, now provides for arrangements for the clearing and cultivation of Crown lands for purposes of pasture. The repealed sections cover the same ground and are no longer necessary. Clause 10, which repeals section 25 of the Act, deals with the lodging of deposits on an application for a perpetual lease. The lodging of a deposit serves no useful purpose. The amount is almost always small. It creates unnecessary work in issuing receipts or following up cases where deposits are not received so as to enable applications to be dealt with and in drawing cheques and returning deposits to unsuccessful applicants. It is considered further that such a provision is a needless inconvenience to applicants. Clause 18, which repeals section 180, and clause 23, which repeals section 232b (2), achieve a similar purpose.

Clause 11 amends section 41e of the principal Act by deleting the reference therein to "section 34". This section was repealed in 1939. Clause 12 amends section 42 (1) (*b*) of the principal Act which provides for agreements under Part IV of the principal Act to be for a term of 30 years. The proposed amendment enables agreements for less than 30 years to be entered into. Such a power is considered desirable. Clause 13 amends section 47 of the principal Act and substitutes a "pound" for "five shillings" as the minimum annual rental under a perpetual lease or half-yearly instalment under an agreement. Such an increase is necessary to make the minimum rental more realistic in present-day conditions.

Clause 14 amends section 66 (*a*) of the principal Act by increasing the value of small areas of land that can be sold by the Minister from £100 to £200. An increase is desirable in view of changed land values. By clause 15 a new section 66b is inserted in the principal Act which confers power upon the Minister to sell for cash small parcels of land not exceeding in value £200 to adjacent registered proprietors of freehold land and to consolidate the title of such small parcels of land with the land of the registered proprietor who has purchased the same from the Minister. A similar procedure is followed under the Roads (Opening and Closing) Act, 1932-1946.

By clause 16, sections 67 to 73a of the principal Act are repealed. These sections relate to leases with a right of purchase granted under repealed Acts. All such leases have now expired or have been surrendered for other tenure or the purchase of the land has been completed. There is no provision in the Act for issuing further leases of this nature. Clause 17 repeals section 80 of the principal Act as the control of forest lands and the issue of leases over forest reserves is now provided for in the Forestry Act, 1950, which supersedes the Woods and Forests Act, 1882.

Clause 18 repeals section 180 of the principal Act for the same reasons that section 20 of the principal Act is repealed, namely, that the lodging of a deposit for every application for an agreement to purchase acquired land is considered unnecessary and inconvenient.

Clause 19 amends section 211 of the principal Act by striking out subsection (5). This subsection is no longer needed as no right-of-purchase leases remain in existence nor is there any provision in the Act for the issue of new ones. By clause 20, section 211a of the principal Act is repealed. This section,

which extends the right to freehold in terms of section 211 (5) until one year after the end of the Second World War, has become obsolete by effluxion of time. Clause 21 amends section 228 of the principal Act principally by adding a new paragraph V enabling land to be sold at auction for cash. This amendment is considered desirable since it will assist the department in finding a simpler method of disposing of small areas which have reverted back to the department by various means. The minor amendment in paragraph I is designed to improve the administration of the Act.

Clause 23 amends section 232b for the same reasons as are given in clauses 10 and 18. Clause 25 repeals section 233 of the principal Act. This section, which provides for purchase moneys for the sale of lands under Part XIII to be applied primarily to payment of public liabilities is never used, as the purchase moneys from the sale of such lands are paid into consolidated revenue. By clause 26, section 253 of the principal Act is amended by providing that all police officers shall be Crown lands rangers. This provision is necessary since, owing to resignations, transfers and promotions, etc., of police officers, it has been found that the practice of merely appointing mounted policemen as rangers in country districts is unsatisfactory.

Clause 27 corrects a printing error in section 261 of the principal Act. By clause 28, a new section 262aa is inserted in the principal Act and provides that the Minister may sell, on the recommendation of the board, lands formerly dedicated or reserved for any purpose (other than by dedication by proclamation) that have been resumed, etc., by the Crown. Power is also conferred on the Minister to execute the transfer and register such transfer without production of the duplicate land grant.

Clause 29 amends section 262b of the principal Act and clarifies the position as regards disposal of improvements on Crown lands or lands that have reverted to the Crown. Clause 30 makes a drafting amendment to section 263b. Clause 31 amends section 263b of the principal Act to provide that an interest element should be added to costs incurred by the Minister in ensuring improvements where the lessee has failed himself to ensure them.

Clause 32 inserts a new section 271d in the principal Act along the lines of section 65 of the Land Tax Act to enable freehold land to be transferred to the Minister. At present, leasehold land or land held under an agreement to purchase may be surrendered absolutely and thus become Crown lands, but for freehold land it is necessary to invoke section 65 of the Land Tax Act. Though section 271 (*c*) of the Crown Lands Act enables the Minister to accept a gift of land, this applies only to an allotment to an ex-serviceman from the Second World War or his dependants.

Clause 33 repeals section 272 of the principal Act and enacts a new section, which more specifically defines unlawful occupation of Crown lands, etc., and enables the Minister to remove or destroy any structures or materials on the land at the expense of the person who unlawfully erected or deposited them thereon. A penalty of £50 is provided.

Clauses 34, 35 and 36 amend sections 273, 274 and 275 respectively of the principal Act by increasing the penalties therein so as to bring them into line with present-day values. The present penalties have not been changed since 1915. Clause 37 amends section 278 (1) of the principal Act to bring it into line with section 9 (*n*) of Act No. 26 of 1944. This Act authorized the Minister to give permission for persons to construct and maintain grids and ramps, as well as gates, on such lands.

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

HOUSING IMPROVEMENT ACT AMENDMENT BILL.

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

DECIMAL CURRENCY BILL.

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

The Hon. A. J. SHARD (Chief Secretary): I move:

That this Bill be now read a second time.

Its object, as appears from the title, is to amend State law in consequence of the proposed adoption of decimal currency. Currency, coinage and legal tender are subjects of legislative power committed to the Commonwealth, and there has been introduced into the Parliament of the Commonwealth a Currency Bill that provides for decimal currency, coinage and legal tender to come into force on February 14, 1966. Part V of that Bill provides that for a limited period both currencies may be used. The basic provision of the Commonwealth Bill is to be found in clause 10, which provides that any references in a law of the Commonwealth, bill of exchange, promissory note, security for money, contract, agreement, deed,

or other instrument, and a reference in any other manner to an amount of money in the existing currency is to be construed as a reference to a corresponding amount of money in decimal currency. The Commonwealth Bill, when passed, will thus make provision for the transition to decimal currency throughout Australia, but the Commonwealth cannot, of course, directly repeal, amend or alter State legislation. Accordingly, it is necessary for complementary legislation to be passed in all of the States to make the necessary alterations in the State laws. That is the object of the present Bill, which, by clause 2, is to commence on February 14, 1966.

The basic plan of the State legislation is like that of the Commonwealth. By clause 4, references to amounts of money in the old currency in any State or statutory instrument (which is widely defined in clause 3) are, except when inappropriate, to be read and construed as references to the corresponding amounts of money in the new currency calculated on the basis of exact equivalents, that is to say, on the basis that £1 equals $2, 1s. equals 10c., and 1d. equals five-sixths of a cent.

There are many instances in State legislation, as in the case of Commonwealth legislation, where references to money are to percentages or to proportions. Accordingly, subclause (2) of clause 4, which follows the provisions of subclause (2) of clause 10 of the Commonwealth Bill, provides that references to proportions or percentages are to be read as references to the equivalent proportions or percentages in terms of the new currency. Subclause (3) provides that any forms in terms of the old currency may be filled in in terms of the new currency. This is based on clause 12 of the Commonwealth Bill. Subclause (4) of clause 4 expressly defines the meaning of the term "guinea" which, although well known, does not bear a legal meaning in terms of the existing Coinage Act. There are many references to "guinea" or "guineas" in State legislation. The object of subclause (5) is to make it clear that where any Acts refer to amounts of money in sterling they are, for the purposes of the referential conversion, to be read as references to Australian pounds. There are some such references, and at all events since 1900 they have been read in practice as references to Australian and not English pounds. An exception is made in relation to the Agent-General Act because the Agent-General's salary is, in fact, paid in sterling. Clause 4 (6) provides for calculations to the nearest dollar, ten, five, or one cent where provision exists for calculations to the nearest pound, shilling, sixpence or penny respectively.

Clause 5 is intended to cover documents which are not statutory instruments. An example would be the Estimates, which are made for the purposes of State law. The clause will enable the necessary substitutions in decimal currency to be made for the existing references to pounds, shillings and pence. As I have said, clause 4 is the basic provision. A review has been made of all existing State legislation and it has been decided to provide for references to the old currency to be read as references to the new currency rather than to amend every existing provision, a step which might be dangerous and lead to difficulties. It is considered more desirable to make provision for reading references to pounds, shillings and pence as references to dollars, except in inappropriate cases. There are, for example, many Acts on the Statute Book referring to amounts of money that have long since become exhausted. On the other hand, there are standing authorities for the payment of money and appropriations which are partially spent but under which something remains to be done. It will clearly be inappropriate for references to past transactions to be translated in terms of the new currency but equally necessary that these Acts be read as authorizing payments of equivalents in the new currency in the future. To amend every Act on the Statute Book would involve a re-writing of numerous sections spread throughout the many volumes of State Acts.

There are, however, a few Statutes to which the reference formula will not apply and clause 6 deals with them. It specifically amends those Acts where the direct equivalence formula will not apply and at the same time makes specific amendments to all other references in those Acts where the direct equivalence formula can be applied. It is clearly desirable, where an Act is being directly amended, to amend every reference rather than only a few—otherwise the result would be an Act which referred to the new currency in some sections and to the old currency in others. I shall return to the Schedule later in this report. Subclause (4) of clause 6 makes certain specific amendments to the rules made under the Savings Bank Act relating to deposits by minors and charges to be made for new pass books. These amendments have been included in the Bill at the request of the bank

because the procedure for amendment of the rules is somewhat complicated and involves an amount of time.

Clause 7 is designed to make provision for transactions made in the present currency after decimal currency comes into operation. As I have said, Part V of the Commonwealth Act enables persons to enter into transactions in terms of the old currency. Where this is done there could be some doubt as to whether any and, if so, what payments would have to be made under that law. I can best illustrate this by reference to the Stamp Duties Act, a Bill for the amendment of which is before us. That Act, as amended in accordance with the Stamp Duties Act Amendment Bill, will provide for the payment of duties in terms of dollars and cents. There is nothing, however, to prevent a person from executing, say, a transfer of land under the Real Property Act for a consideration expressed in pounds. The object of clause 7 is to make it clear that in such a case the stamp duty payable is to be payable in the new currency as if the consideration had been expressed in terms of the new currency. There could be other similar transactions.

Clause 8 is designed to enable amendments to be made to statutory instruments, in particular, regulations, to substitute decimal currency for existing currency without the necessity of complying with the normal procedure. There may be some hundreds of statutory instruments that will require amendment in this way, and compliance with the normal practice could take a considerable time. It is obviously necessary that some simplified procedure should be prescribed to overcome these difficulties as soon as possible. Clause 9 is designed to cover the situation that may arise in cases of doubt or difficulty. Subclause (1) enables the Governor by proclamation to resolve such doubts or difficulties or give any necessary direction, while subclause (2) will enable the Governor to add to the Acts specified in the Schedule by making any necessary amendments. For example, it may become necessary to reprint an Act from time to time. Application of the reference formula will not, in itself, enable a reprint showing equivalents in decimal currency to be incorporated. In such cases the Governor may specifically amend an existing Act by providing for the substitution of the new for the old currency, thus enabling the Act to be reprinted as amended.

I deal now with the list of Acts specifically amended by clause 6 and the Schedule to the Bill. The first of these is the Cattle Compensation Act, which is particularly amended to allow the use of old style cattle duty stamps for a limited period after the new currency comes into operation, and to permit refunds for unused stamps. The amendments to the Crown Lands Act remove some unnecessary references to money in certain sections providing for repayments by instalments over a period of years. There is no need to set out the exact amount of each instalment in such cases and the amounts mentioned in the Act are not directly convertible. Two other amendments remove references to "pounds" in three schedules. The Gas Act requires specific amendments in sections 33 and 37. Section 33 provides for increases or reductions in dividends corresponding with increases or reductions in the price of gas. These are to be at the rate of one-sixth of one per cent for every variation of one penny (or part), with a limit on any increase in dividend to seven per cent. The amendments will provide for increases or reductions by one-fifth of one per cent for every variation in price of one cent (or part). Since one penny will equal five-sixth of a cent it will be seen that the new rate of one-fifth of one per cent for every cent equals one-sixth of one per cent for every penny. The amendment to section 37 will fix the maximum charge for the hire of prepayment meters at five cents instead of fivepence. In fact, it is understood that section 37 is now virtually unusued by the company.

I come now to the Industrial Code, the amendments to which have been agreed between the Australian Council of Trade Unions and the National Employers' Policy Committee following discussions with the various State organizations. The first amendment will amend every award, order, determination, etc., in force on February 14, 1966, by substituting exact equivalents for amounts specified therein with, however, provision for calculations to the nearest dollar for annual salaries, the nearest five cents for other periodical wage rates, all other amounts being calculated to five decimal places and taken to the nearest fourth place. There is also provision for republication of awards, etc., in both currencies. The second series of amendments is to section 45 (1) (*c*) of the Code. Section 45 provides for variations of awards and orders on variations of the living wage and subsection (1) (*c*) provides for "rounding off" where fractions are concerned. Annual salaries are computed to the nearest shilling, omitting all fractions. These will now be computed to the nearest dollar with the proviso that where a

fraction of a dollar exceeds 49 cents the computation is made to the next higher dollar. Weekly wages are computed to the nearest multiple of threepence, any fractions of one penny halfpenny or more counting as threepence; in future the calculations will be to the nearest five cents, fractions of over two cents counting as five cents. Similar amendments are made to section 194 (1) (*c*) dealing with variations of determinations of industrial boards in accordance with living wage variations.

The Local Court Act, Second Schedule, contains references to amounts of 3s. 4d., 6s. 8d. and 13s. 4d. These amounts are amended to 30 cents, 65 cents and $1.30 respectively, a slight reduction being made in each case. The Schedules to the Pawnbrokers Act contain references to amounts which are not readily convertible. In particular, the First Schedule specifies charges which may be made on pawn tickets of one penny, and for profit of each 2s. 6d. one penny halfpenny. These charges are altered to one cent and two cents respectively, a slight increase in each case. The Second Schedule provides for certain charges of one halfpenny and one penny; these will become one cent in each case, again involving increases. Taken overall, the increases do not represent a great deal, especially having regard to the fact that the charges have not been increased for over 20 years, as well as to the fact that there is only one pawnbroker operating in the State at present.

Section 9 of the Places of Public Entertainment Act relating to fees payable for licences, which are in certain cases to be calculated without recokoning fractions of a penny, will now read not reckoning fractions of a cent. The Savings Bank Act is amended in two respects. Section 39 permits the bank to receive sums of not less than one penny in the school bank department; this will be altered to make the minimum one cent. Section 52 provides for interest on deposits of not less than one pound. This will now become one dollar, and the proviso to section 52 permitting interest on deposits of ten shillings in the school bank department becomes unnecessary. The first amendment to the Swine Compensation Act is to remove the word "pounds" from the expression "five pounds per centum" in section 12. Direct conversion would have the effect of doubling the rate of interest from 5 to 10 per cent. The second amendment is similar to the amendment to the Cattle Compensation Act, allowing use of old stamps for a limited period and refunds for unused stamps. The last amendment in the schedule is the deletion of the references to "coin weights" in the Weights and Measures Act. These references have long since been outdated since this matter is governed by Commonwealth law. I commend the Bill to honourable members for their consideration.

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

CATTLE COMPENSATION ACT AMENDMENT BILL.

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

The Hon. S. C. BEVAN (Minister of Local Government): I move:

That this Bill be now read a second time.

Its principal object is to vary the present rate of stamp duty payable on the sale of cattle under the Cattle Compensation Act from 3d. for every £10 of the purchase money to 6d. per head of cattle sold at up to a price of £35, and 1s. per head where the purchase price is over £35. Clause 5 of the Bill makes the necessary amendment. The amount to the credit of the Cattle Compensation Fund into which the stamp duty is paid has been steadily rising over recent years as the incidence of compensable diseases has been reduced. While the need for retention of a substantial balance in the fund still exists to meet contingencies (as, for example, an outbreak of pleuropneumonia), it is considered that the present duty can be safely reduced. An additional reason for the alteration is that the present rate is not directly convertible to decimal currency. Adoption of the new rates will simplify calculations and facilitate such conversion.

Clauses 3 and 4 bring the provisions of the principal Act concerning payment of duty into line with those of the Swine Compensation Act, which requires payment of duty on the sale of swine carcasses as well as swine. Although owners of cattle slaughtered for sale and condemned for compensable diseases are entitled to compensation, they do not pay stamp duty. It is considered desirable to remove the anomaly between the two Acts, and the clauses that I have mentioned require the payment of duty on sales of cattle carcasses as in the case of sales of swine carcasses. I commend the Bill to honourable members for their consideration.

The Hon. L. R. HART secured the adjournment of the debate.

JURIES ACT AMENDMENT BILL.

The House of Assembly intimated that it had agreed to the Legislative Council's amendments Nos. 7 and 8 and had disagreed to amendments Nos. 1 to 6 for the following reason:

Because the amendments defeat the principal objects of the Bill.

Consideration in Committee.

The Hon. A. J. SHARD (Chief Secretary): I move:

That amendments Nos. 1 to 6 be not insisted upon.

When this Bill was last before this Chamber on October 6 there was a very good debate on it. The case was put for and against the Bill fairly, clearly and without feeling. If my memory serves me aright, the main amendment was to strike out from the Bill the words "House of Assembly roll" and insert in lieu thereof "Legislative Council roll". I think that was the kernel of the matter. This afternoon I have read as much as I could of what I said previously, and I think the only thing we need debate now, and the only question before us, is whether women should be permitted to serve on juries by use of the House of Assembly electoral roll or whether the women to be chosen should be confined to those whose names appear on the Legislative Council electoral roll. I indicated clearly last time my thoughts on this matter. I do not intend to weary the Committee with further argument but refer to the closeness of numbers in the division on the matter, 10 honourable members being for and eight against it. Because of the closeness of that voting, I do not think it would be wise for this Chamber to insist upon its amendments, bearing in mind the fact that members of another place are closer to and more representative of the people than possibly honourable members of this Chamber are. For these reasons, I do not intend to delay the Committee further. If I spoke for half an hour or so I could add no more to what I have already put forward in debate. If honourable members would like to refer to what I said on October 6, they can find it in *Hansard*, page 1964. I repeat that, because of the almost even voting in the division on this matter, we should respect the views of another place. So I ask members to not insist on amendments Nos. 1 to 6.

The Hon. Sir LYELL McEWIN (Leader of the Opposition): The Minister obviously knew what was coming. However, I cannot debate this matter until I know what amendments have been disagreed to. The whole position is very vague and I do not consider that the Committee is in a position to give a decision at the moment. I request the Chief Secretary to report progress to enable us to find out what we are talking about. I certainly am not in a position to make a decision until I have seen what is in the message. If that can be supplied and if the Minister adjourns the debate on motion, we can consider the amendments.

The Hon. A. J. SHARD: I have been in this Chamber for a few years and I do not know that members are generally supplied with schedules of amendments from another place. The amendment simply takes out the words "House of Assembly" and inserts "Legislative Council". That is the kernel of it. I do not mind reporting progress for a few moments but I shall be guided by you, Mr. Chairman, as to whether we have ever been provided with such schedules before. This is the second occasion on which a schedule has come back from another place in this session. The matter was not raised last time and the Leader knew as soon as I did that the Juries Act Amendment Bill was likely to come before us today. We talked about a suggested time for a conference if the Council insisted on the amendment. However, if honourable members want an adjournment of this debate for a time, I have no objection, but I should like to know whether this has been the practice. To the best of my knowledge, we have never had placed before us schedules of amendments when legislation has come back from another place.

The Hon. Sir LYELL McEWIN: If the Minister wants to deal with this matter in this way, without our looking at it, I am prepared to vote on his motion.

The CHAIRMAN: I should like to point out that, perhaps, some uncertainty was created by the Chief Secretary when he designated the alteration as relating to women on the House of Assembly roll and on the Legislative Council roll. I think that the correct term was rather "the roll", not just women.

The Hon. C. D. ROWE: I think the suggestion of the Hon. Sir Lyell McEwin that this matter be adjourned to let us know what we are deciding is reasonable. Admittedly, there was certain talk yesterday, but it was only talk in the lobbies and I do not think that consideration of it had been completed by the other House at that time. So, we had no knowledge then—

The Hon. A. J. Shard: When things are different, they are not the same.

The Hon. C. D. ROWE: At that time, we had no knowledge of what happened in another place and I like to make decisions on better information than opinions that may be heard in the lobbies. I do not know what the amendment is.

The Hon. A. J. Shard: Why should we wait until honourable members have the schedule of amendments? We have never done it before. When we were in Opposition we never received consideration.

The Hon. C. D. ROWE: I am not arguing that one.

The Hon. A. J. Shard: I am.

The Hon. C. D. ROWE: Why didn't the Chief Secretary inform the Council correctly? I am not saying that he acted intentionally, but I think he was under a misapprehension when he said that this amendment dealt only with the question of whether women on the Legislative Council roll should have a right to sit on juries. In point of fact, it applies to men and women, so apparently the Chief Secretary is not clear in his own mind as to what the amendment is. Whatever the position may have been on another occasion, I think we are entitled to know exactly what we are considering.

The Hon. A. J. SHARD: During the whole of the time I was in Opposition, amendments were dealt with exactly as it is proposed to deal with them today. My colleagues and I were a small minority of the Council, and we had to battle along the best way we could. If honourable members want progress reported now, that is all right, but what was good enough for the Labor Party when it was in Opposition is not acceptable to the Liberal Party now in Opposition. To my knowledge, the question of adjourning the debate on an occasion such as this has never been raised but, in the circumstances, I am prepared to move that progress be reported to enable honourable members to look at the matter. I do not want to be accused of forcing anybody to cast a vote in this Chamber without knowing the full facts. Honourable members will find that the only bone of contention is whether the Legislative Council roll is to be used for the compilation of the jury list instead of the House of Assembly roll.

The Hon. C. D. Rowe: For men and women.

The Hon A. J. SHARD: For both sexes. I do not mind reporting progress and bringing the debate on again at the ringing of the bells. I do not want to be accused of not considering the convenience of members.

The CHAIRMAN: I point out that Standing Order No. 327 says:

Messages coming from the House of Assembly transmitting or dealing with Amendments shall be considered in Committee of the whole Council, either forthwith or at such future time as the Council shall appoint.

If not considered forthwith the Message or the Amendments shall be printed as Members may require.

That is the usual practice.

The Hon. A. J. Shard: It has never been done.

The CHAIRMAN: It was done on the last occasion.

The Hon. Sir LYELL McEWIN: My only comment is in connection with what the Chief Secretary has said. We are becoming accustomed to the Chief Secretary, whenever anybody moves that members have time to consider anything, literally losing his block.

The Hon. A. J. Shard: Don't be foolish!

The Hon. Sir LYELL McEWIN: He rants and goes on as though he is talking to a lot of children who do not know why they are here. Here we have a message that has just arrived from another place. There is other business on the Notice Paper. It is not as if Parliament is going to prorogue in five minutes. All I ask the Chief Secretary to do is adjourn the debate on motion. If that is done, any honourable member can quickly examine the message from the other place and see what happened. The Chief Secretary knew what happened.

The Hon. A. J. Shard: You knew the message was coming.

The Hon. Sir LYELL McEWIN: However, the Chief Secretary did not advise anybody else. He said yesterday that there was some talk of this amendment, but that was purely rumour and there was no urgency about the matter. We can discuss it again in 10 minutes time; I do not care, but the Chief Secretary can report progress.

The Hon. A. J. Shard: Yes, I have agreed to that.

The Hon. Sir LYELL McEWIN: Only in bad grace. The Chief Secretary could have done that 10 minutes ago and saved time, but he wasted time by going on with a lot of nonsense about what happened when he was in Opposition. Good gracious, I sat over there for years and messages were often placed on motion. That is all that the Chief Secretary had to do and then we would have had time to examine the message and address ourselves to it when it came on. I have already indicated that, so far as I am concerned, I am prepared

to vote against the motion straight out and be done with it, if the Chief Secretary is in a hurry. I leave the matter to the Committee.

Progress reported; Committee to sit again.

Later:

In Committee.

The ACTING CHAIRMAN (Hon. C. R. Story): The question before the Chair is that amendments Nos. 1 to 6 be not insisted upon. The Noes have it.

The Hon. A. J. Shard: Divide.

The bells having been rung:

The CHAIRMAN: The Chief Secretary has moved that amendments Nos. 1 to 6 be not insisted upon. I shall put it in the positive form, that amendments Nos. 1 to 6 be insisted upon.

The Hon. Sir LYELL McEWIN: Let me get it clear, because I think there was some misunderstanding on the previous call. Honourable members were getting mixed up between insisting upon and not insisting upon our amendments. Is it now being put that we do not insist upon them or is the voting to be on the question that we do insist on the amendments?

The CHAIRMAN: I will put the question again. The Chief Secretary has moved that amendments Nos. 1 to 6 be not insisted upon. I shall put the question in the positive form, that amendments Nos. 1 to 6 be insisted upon.

The Committee divided on the question:

Ayes (10).—The Hons. M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, L. R. Hart, H. K. Kemp, Sir Lyell McEwin, C. C. D. Octoman, C. D. Rowe (teller), and C. R. Story.

Noes (4).—The Hons. D. H. L. Banfield, S. C. Bevan, A. F. Kneebone, and A. J. Shard (teller).

Majority of 6 for the Ayes.

Amendments thus insisted upon.

Later:

The House of Assembly requested a conference, at which it would be represented by five managers, on the Legislative Council's amendments to which it had disagreed.

The Legislative Council granted a conference, to be held in the Legislative Council conference room at 7.45 p.m., at which it would be represented by the Hons. D. H. L. Banfield, M. B. Dawkins, H. K. Kemp, C. D. Rowe, and A. J. Shard.

At 4.38 p.m. the sitting of the Council was suspended until the ringing of the bells.

At 10.16 p.m. the managers returned from the conference. The recommendations were:

That the Legislative Council do not further insist on its amendments Nos. 1 to 6, but make the following amendments in lieu thereof and that the House of Assembly agree thereto:

Clause 10. Page 3, line 1—after "amended" insert "(*a*)"; line 4—after "respectively" insert:

"; (*b*) by inserting therein after paragraph (*a*) thereof the following paragraph:

'(*a*1) who is of the age of twenty-five years or over; and' ".

The Hon. A. J. SHARD (Chief Secretary): I move:

That the recommendations of the conference be agreed to.

The conference was conducted in a friendly manner. Each Chamber put its point of view clearly, and after negotiations an agreement was reached. After the recommended amendments are made, section 11 will provide:

Every person residing in South Australia—

(*a*) who is enrolled on the roll of electors entitled to vote at the election of members of the House of Assembly; and

(*a*1) who is of the age of 25 years or over; and

(*b*) who is not above the age of 65 years;

shall, subject to the exceptions in this Act mentioned, be qualified and liable to serve as a juror.

This means that any person over 25 and under 65 enrolled on the House of Assembly roll will be entitled to serve as a juror unless prohibited from doing so by some other section of the Act. I think the agreement is satisfactory.

The Hon. C. D. ROWE: I support the motion. The matter was discussed frankly, fully and fairly, and it was perfectly obvious that the managers were agreed that the jury system had operated very satisfactorily in this State. It was therefore considered in some respects that no alteration was justified. It was also emphasized that if there were to be an alteration we had to be sure that the degree of responsibility that had been exhibited by jurors in the past should continue in the future. As this clause was the only matter before the conference, it was difficult to arrive at a compromise satisfactory to all parties concerned. It was important to find a formula that would ensure that people who were selected to serve on juries were those who would take their responsibilities seriously and have the qualifications and ability to discharge their duties to their own satisfaction and to the credit of the legal system in this State.

We explored the possibilities of devising a formula, and the best we could reach was that

we should limit the age to 25 at the lower limit and 65 at the higher limit. I hope this will mean that jury service will continue to receive the respect and esteem in the future that it has received in the past.

Motion carried.

VETERINARY SURGEONS ACT AMENDMENT BILL.

The House of Assembly intimated that it had agreed to the Legislative Council's amendments.

AGED AND INFIRM PERSONS' PROPERTY ACT AMENDMENT BILL.

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

The Hon. A. J. SHARD (Chief Secretary): I move:

That this Bill be neow read a second time.

It amends the Aged and Infirm Persons' Property Act so as to enable the Supreme Court, when hearing an application under the principal Act in respect of an aged or infirm person, to obtain a report by the Director of Social Welfare on the affairs of such person. The powers conferred by the Bill are complementary to certain powers of the Director contained in the Maintenance Act Amendment Bill that is now before Parliament whereby he may or, if so required by the Minister of Social Welfare or a court, shall investigate the needs and affairs of certain persons. The court may, when making a protection order in respect of such person, take the report into consideration. Clause 3 provides for the Bill to come into operation by proclamation. It is proposed that this Bill and the Maintenance Act Amendment Bill will be proclaimed at the same time.

Clause 4 inserts new section 9a in the principal Act. Under subsection (1) of the new section, the court may order an investigation by the Director into the affairs of a person in respect of whom an application for a protection order under the principal Act has been made. Subsection (2) enables the Director to conduct such an investigation and provides for his report thereon to be furnished to the Minister of Social Welfare and the court. Subsection (3) provides that the court may consider the report when hearing the application. Subsection (4) enables the Director or any officer of the Department of Social Welfare to enter any building or other premises for the purposes of the investigation, and subsection (5) requires the owner of the building or premises, the person in charge thereof and any other person under whose control the person concerned may be placed to afford all reasonable assistance and to permit access to papers and books. A maximum penalty of £50 is prescribed for contravention of this subsection. The Bill is consistent with the relevant provisions in the Maintenance Act Amendment Bill, and I commend it for the consideration of honourable members.

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

LAND TAX ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 9. Page 2639.)

The Hon. R. C. DeGARIS (Southern): This is one of the many Bills brought or to be brought before us increasing the incidence of taxation in this State. Also, almost daily we see announcements of cuts being made in fields of development in this State. I do not think it will be very long before all fields of taxation will be readjusted to higher levels. This Bill increases the incidence of land tax by 17 per cent. We know also that stamp and succession duties will increase, that greater taxation will be drawn from road transport, and that service and water charges and harbours fees have been or will be increased. The only large field that seems to have been missed is motor registration, and I have no doubt that this is being scrutinized for adjustment. It is rather interesting to look at the Chief Secretary's second reading explanation, in which he says:

> The Bill is an essential part of the 1965-66 Budget and makes one of several revenue adjustments designed to reduce the gap between revenue and proposed expenditures to manageable proportions.

This statement, particularly the words "manageable proportions", is interesting. Last year £2,485,000 was collected in land tax; this was about £2 7s. 6d. a head of population. In his second reading explanation, the Chief Secretary said that the average of all the other States in Australia was £2 17s. a head, and he seemed to draw a certain consolation from the fact that this Bill was merely bringing our level of land tax to a figure somewhere in line with that in other States. I think we have all previously spoken about uniformity with other States, and this seems to be a further example where uniformity is being looked upon as something that is desirable. I think we all realize that until this year South Australia has been the lowest taxed State in the Commonwealth. This is one of the factors that has led this State along a dynamically

expanding and developing economy, and this has been of inestimable benefit to all its citizens. If this particular tendency continues, however, the climate generated for this expansion will not continue.

As the Chief Secretary has pointed out, this Bill will increase land tax collection this year by 17 per cent. We know that a quinquennial assessment is due soon, and one cannot at the moment hazard a guess at what the increase in that assessment will be. Let us assume that it will be about 25 per cent, which I think is a reasonable expectation. This means that the incidence of land tax in South Australia under this Bill will not rise by only 17 per cent but could increase by 50 per cent or more. It could mean that land tax collection under this Bill would raise not merely an extra £425,000 but possibly £1,000,000 or £1,500,000.

The Bill increases the rates of land tax on properties above an unimproved value of £5,000. The Hon. Mr. Rowe pointed out, quite validly, that a living area at present in most farming communities would be assessed at not less than £8,000. I think that is a fair figure, and I know that it is a proper figure in my district. The return to a man with a property such as that would not give him much above the basic wage. With the quinquennial assessment due it will probably be found that a living area for a person on the land would have an unimproved assessment of £10,000 or over. I believe that the Government would be wise to have a second look at this problem after the quinquennial assessment has been made. It appears to me that this is the objectionable part of the Bill. Although it is realized that the Government needs more money to meet the many promises it has made, to make the alteration a few months before the quinquennial assessment is due appears to me to be a rather objectionable practice. I know what would happen to a district council or any local government body that decided to strike a rate a few weeks before an assessment was due to be made and used the rate for the new assessment, and I think any honourable member would understand what would happen to such a body that adopted a course of action similar to that followed under this Bill. The Bill strikes a rate on an assessment that is to be made within a month or two, and I believe that these facts should be taken into consideration by the Government.

It is realized, as I said before, that the Government needs money in order to atempt to fulfil some of the promises—and I repeat "some of the promises"—that it made in the election campaign. It is also realized that this is a taxation Bill and that this Council cannot, without due consideration to the consequences, alter the financial programme of the Government. The charge could be made that this Chamber was being obstructive and it did not have strong grounds for so doing. However, I consider the Government should have regard to the fact that this is an alteration to the incidence of land tax that will remain in force on a new assessment due in the next few months. I believe that the Government should agree to making this legislation apply only for the ensuing 12 months, and that it should review the rates after the new assessment has been made. Particularly do I refer to the question of the incidence of taxation rising on a property of over £5,000 unimproved value. This is far too harsh for a holding that is only a living area for a primary producer in this State. It seems fairly obvious that if the present rate continues when the new assessment has been made South Australia will have the highest incidence of land tax a head of population in the whole of Australia.

I would like to expand on that thought. Most taxation raised in Australia is raised on the basis of the ability to pay. Some time ago I prepared a paper on this question, and it must be realized that land tax is not based on the ability to pay. I realize that the figures I propose to present are figures relating to 1956 and I have not had much opportunity to bring them up to date but I am certain the case can be understood from these figures, and I would say that a similar principle applies in 1965.

Over the past 20 years the rate of tax gathering outside the principle of the ability to pay has increased more rapidly than within that particular concept. In other words, we are collecting more revenue for local government, State Government or Commonwealth Government on a property qualification for taxation and the increase in that field has been greater than in the field concerned with ability to pay. For example, in Australia the local government ratepayer (and generally a council rate is a property tax) pays 61.2 per cent of the total expenditure of local government throughout Australia. By contrast, in the United Kingdom the ratepayer on a property tax finds 49 per cent of the total expenditure of district councils while in the United States of America the ratepayer finds 40 per cent of such money. Over the whole of Australia the rates on property for local government use have increased by 313 per cent since the end

of the Second World War. The Commonwealth taxation during the same period increased by 185 per cent, and it can be seen that the incidence of taxation on property increased in the period from 1945 to 1956 more rapidly than in the field of taxation levied on the ability to pay. Local government expenditure in 1956 was made up of 61.2 per cent from rates, 25.7 per cent from fees and 13.1 per cent from Commonwealth and State grants. The figure of 61.2 per cent spent by local government comes directly from the property owner.

In the United States of America, 49.1 per cent of local government expenditure comes from property rating, 20 per cent from other revenue and 30.9 per cent from Government grants. In Canada, 60.6 per cent comes from property rating, 15 per cent from other revenue and 24.4 per cent from Government grants. In the United Kingdom 40 per cent comes from property rating, 21.2 per cent from other revenue and 38.8 per cent from Government grants. It can be seen that the Australian ratepayer is paying more than the ratepayer of any of the other four countries—Australia, the United States, Canada and the United Kingdom. Therefore, it is important that we view closely any large-scale increase in the incidence of property taxation at the State level in South Australia, because this is a tax not levied on the normally accepted taxation yardstick of the ability to pay. I believe the Government should, in taking this matter into account, be prepared at least to review the measure in 12 months' time, because of the forthcoming quinquennial assessment. This measure, if allowed to go through into the new assessment, could double the incidence of land tax in South Australia. That means that, instead of a 17 per cent rise, as stated by the Chief Secretary, it could be considerably greater. I support the second reading regretfully but would favour an amendment to allow the rate to stand for a 12 months' period only.

The Hon. L. R. HART secured the adjournment of the debate.

COMPANIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 9. Page 2620.)

The Hon. F. J. POTTER (Central No. 2); I support the second reading of this Bill. As other honourable members have said, most of it deals with certain formal amendments that are necessary consequent upon the passing of the Companies Act in 1962, and I am sure that this Bill would have had a swift passage (indeed, it may still have a swift passage) were it not for the fact that it proposes a fairly major alteration in the amount to be paid by companies filing their annual returns from the present £2 to £3. This seems to me to be the only provision that has provoked any substantial comment from honourable members.

As the Hon. Mr. Rowe has said, the increase will bring in to the Government an extra £10,000 in fees paid to the Companies Office. It appears to me beyond doubt that the fees paid in relation to this and other items will go into general revenue, so the general revenue will increase by this amount. Confusion may have arisen in the minds of some honourable members because the Minister said that the Government had decided that this extra revenue would exist as a fund to be used for the purpose of paying the expenses of the investigation of certain companies. If, in fact, this measure provided for the actual setting up of such a fund, perhaps to be administered by the Minister, some grave objection might have been taken. However, it seems perfectly clear that this amount can go only into general revenue and that there can be little objection except, perhaps, on the basis that it is being levied on a certain section of the public, namely, existing companies. The Companies Act provides for the investigation of the affairs of companies in certain circumstances. Broadly the investigations fall into three separate categories. Section 169 provides for the investigation of the affairs of a company by inspectors at the direction of the Governor. The section commences:

> The Governor may appoint one or more inspectors to investigate the affairs of a company or such aspects of the affairs of a company as are specified in the instrument of appointment and to report thereon in such manner as the Governor directs . . .

It is clear that application is made to the Governor for the setting up of such an investigation and that the Governor is responsible for initiating the investigation. The second broad category of investigation is provided in section 170, under which there can be an internal investigation by resolution of the company itself. Here again, the section makes it clear that this is done by special resolution. The third major type of investigation is provided for in section 172, which designates a special investigation and, again, it involves the

Governor's being satisfied that a case has been established for an investigation for the protection of the public, the debenture holders or the shareholders or creditors of a company or a foreign company. If he is satisfied the Governor may have the company investigated.

It is interesting to note that, in terms of section 173 the Governor can appoint one or more inspectors to carry out the investigation, that they have certain powers, that they shall report to the Minister, and that the expenses of and incidental to the investigation are to be paid in the first instance out of moneys provided by Parliament. A provision inserted in 1964 says that where the Governor is of the opinion that the whole or part of the expenses of and incidental to the investigation should be paid by the company, or by any person who requested the appointment of the inspector, the Governor may order and direct that those expenses be so paid.

It is clear that the Government considers that in the future, just as there have been in the past, there may be circumstances when the investigation of a company is required, and that it is mindful of the fact that it may not have sufficient money available in general revenue to provide for such an investigation. I do not know how these investigations will be conducted and no details have been given about it. I take it they will be conducted by the employment of some particular type of person (perhaps a qualified accountant), or an accountancy company, or perhaps a skilled officer will be added to the staff of the Companies Office who will be permanently available to conduct investigations. I doubt very much whether the latter is envisaged, because it may be (we hope it will) only on rare occasions that investigations will be required. It would have to be a special case for the Governor to be satisfied that he should direct an investigation. So, it seems to me that it comes to this—do we or do we not in this Chamber agree to the Government's raising a further £10,000 by this particular method? In these circumstances, and as no special fund is to be set up that can be directly used (or misused) by any particular Minister, I consider this is an occasion when I can support the raising of the additional revenue.

Perhaps it is unfair that existing companies should be forced to "cough up" this extra money but, from what was said in a newspaper report that I read a few days ago, companies seem to be rather keen that they should, in fact, provide money for this particular purpose because they expressed in a deputation to the Minister a perfect willingness to provide the extra money. Accordingly, and in view of the safeguards that I think exist in the present legislation, I support the Bill in its entirety.

The Hon. S. C. BEVAN secured the adjournment of the debate.

ADJOURNMENT.

At 10.30 p.m. the Council adjourned until Thursday, November 11, at 2.15 p.m.