LEGISLATIVE COUNCIL

Tuesday, November 30, 1965.

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

QUESTIONS

SITTINGS.

The Hon. Sir LYELL McEWIN: We have been told that Parliament is to adjourn on December 2. A number of members of my Party are committed to engagements next week. It has been suggested in some quarters that Parliament will meet again some time in January. To facilitate honourable members making their arrangements during the recess, can the Chief Secretary indicate the Government's intentions regarding sittings of Parliament?

The Hon. A. J. SHARD: Yes. It is the intention, provided we make reasonable progress this week, to adjourn some time on Thursday evening or early Friday morning. We shall resume, I think, on January 25 next year. Parliament will then continue to sit throughout February.

The Hon. Sir Lyell McEwin: From January 25?

The Hon. A. J. SHARD: I think it is January 25. It is the last Tuesday in January.

COUNCIL BUSINESS.

The Hon. L. R. HART: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. L. R. HART: In Saturday's newspaper, the following article appeared in a political commentary supplied by the Australian Labor Party, headed "Censure":

On December 4 electors of the Central No. 2 District of the Legislative Council should avail themselves of the opportunity to censure the Upper House for its obstruction of the progressive legislation emanating from the Lower House . . . Already in this session the L.C.L.-dominated Upper House has sought to frustrate moves made to implement policies announced by the Labor Party in its policy speech . . .

Can the Chief Secretary, representing the Government in this Chamber, inform the Council what progressive legislation emanating from the Lower House has been obstructed by this particular Chamber?

The Hon. A. J. SHARD: I do not wish to enter into a debate on a commentary in a newspaper. I have been asked this question previously and said at that particular time that I thought the progress of this Chamber was reasonably good. Possibly, all of the decisions have not been to our liking; but that is natural; that is politics, and we accept it as such. I do not think there has been any deliberate obstruction of the programme on the part of the Legislative Council this year, with the possible exception of last Thursday. I might have misconstrued the position, but I thought that, from the point of view of obstruction, the Council did a good job in the first hour last Thursday. That was the first time, to my knowledge, that question time lasted for so long. I did not know the purpose of it and might have misconstrued the position, but I thought that that was the first sign of delay in the workings of this Chamber.

The Hon. Sir LYELL McEWIN: Further to the Chief Secretary's reply, can he say whether question time, during which honourable members are able to seek information for constituents, is considered to be a waste of the time of Parliament? I do not want to offend the Standing Orders. Does the Chief Secretary consider that it is the right of honourable members to have question time, or is the asking of questions considered to be obstructing the business of the House?

The Hon. A. J. SHARD: It is the right of honourable members to ask questions in the interests of their constituents during question time. However, I thought many of the questions asked last Thursday were not in the best interests of constituents. I repeat that I may have misconstrued the position.

The Hon. Sir Arthur Rymill: I think you may have.

The Hon. A. J. SHARD: I thought it was more than coincidental that, because we only had an hour to sit before a conference with another place, questions took up the whole of that time. I have said that I thought that might have been the first time there was any organized obstruction of the business of the Council.

The Hon. Sir ARTHUR RYMILL: Following those questions, can the Chief Secretary inform the Council what object he can possibly designate to such a barrage of questions, or what could possibly be the object if excessive questions were asked? What virtue or value would be in it?

The Hon. A. J. SHARD: Last Thursday there were three Bills on the top of the Notice Paper for second reading explanation and, as honourable members know, when a second reading explanation is given, it is the usual thing to adjourn the debate until the next day of

sitting. As I have said, I may have misconstrued the position, but I thought the object was to prevent the second reading explanations of those three Bills from being given last Thursday.

The Hon. Sir ARTHUR RYMILL: As the Council adjourned late in the afternoon and there was still all the evening to sit, and as the Chief Secretary moved the adjournment, does he think that is relevant to the answer he has just given?

The Hon. A. J. SHARD: No. As honourable members know, the position has been in this Council not to sit on Thursday evenings except on the last night preceding an adjournment or prorogation; that has been the position ever since I and the Hon. Sir Arthur Rymill have been members. As many members make engagements for Thursday evenings, I did not wish to make any record by sitting after dinner last Thursday, and I hope that that will not be necessary except on the occasions I have mentioned.

The Hon. Sir LYELL McEWIN: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. Sir LYELL McEWIN: My question relates to the legislation in this House and to the reply by the Minister that he thought that the only time there had been any delay was last Thursday when a few minutes were wasted by members asking questions. I have a letter written by the Premier that I believe has something to do with a by-election to be held soon in Central No. 2 District, and I understand this letter has been circulated. It states:

Your Labor Government has commenced its legislative programme with a degree of enthusiasm that has won the admiration of all sections of the community but it has continually been hampered and frustrated by Liberal and Country League members.

The only matter the Chief Secretary has mentioned is questions. Does he consider that the statement I have read is a fair and honest statement about what has occurred in this Chamber during this session in relation to legislation?

The Hon. A. J. SHARD: I have already said "No" as far as this Council is concerned, but I have heard that there has been complete frustration, obstruction and delaying tactics in another place. That does not apply to this Chamber.

The PRESIDENT: Order! I point out that Standing Orders state:

At the time of giving notices questions may be put to a Minister of the Crown relating to public affairs; and to other members, relating to any Bill, motion, or other public matter connected with the business of the Council, in which such members may be specially concerned. Whenever a question is answered after notice, it shall be open to any member to put forward questions arising out of and relevant to the answer given.

I think that covers the matter adequately.

The Hon. Sir LYELL McEWIN: The Chief Secretary mentioned something that happened in another place. My question concerns the words "continually been hampered and frustrated by Liberal and Country League members in the Legislative Council".

The Hon. A. J. SHARD: The first time the Leader of the Opposition asked the question he referred to Liberal and Country Party members, not to Legislative Council members. I replied to that, and said that I had no complaint about the passage of legislation being obstructed in this Chamber. I was referring to another place.

The Hon. Sir LYELL McEWIN: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. Sir LYELL McEWIN: The Chief Secretary still has not said whether he considers the statement I have read, which refers to hampering and frustration by Liberal and Country League members in the Legislative Council, to be a correct statement.

The Hon. A. J. SHARD: I have answered it four times.

The PRESIDENT: The Minister has said quite definitely that the Council has not unduly frustrated legislation.

The Hon. Sir LYELL McEWIN: I accept your explanation, Sir.

The Hon. Sir ARTHUR RYMILL: I should like to ask the Chief Secretary if he considers that, up to date this afternoon, this questioning has been excessive to the point of frustration.

The Hon. A. J. SHARD: I happen to be in a good frame of mind and, as far as I am concerned, honourable members may carry on all day, even though we have a business sheet to attend to.

VETERINARY SCIENCE.

The Hon. Sir ARTHUR RYMILL: I ask the Minister of Transport representing the Minister of Lands in another place whether he has an answer to my question of November 16 relating to students in veterinary science.

The Hon. A. F. KNEEBONE: My colleague the Minister of Education reports that, as conditions governing the entry of students from other States into the faculty of veterinary science at Melbourne, Sydney and Brisbane fluctuate, the present position cannot be stated with certainty. Arrangements have been made with the Vice-Chancellor of the University of Adelaide to check the latest situation and as soon as this information is received the honourable member will be advised.

STURT HIGHWAY.

The Hon. Sir LYELL McEWIN: Has the Minister of Roads a reply to my question of last week regarding a survey of the Sturt Highway near the approach to the proposed new Kingston bridge and its effect upon the Cobdogla school?

The Hon. S. C. BEVAN: Yes. As the preliminary report on the bridge over the River Murray at Kingston will not be ready until January, 1966, no finality has been reached on the detailed design of the approaches.

HAMBIDGE RESERVE.

The Hon. C. C. D. OCTOMAN: Has the Minister of Local Government representing the Minister of Lands in another place a reply to my question of last week regarding Hambidge Reserve on Eyre Peninsula?

The Hon. S. C. BEVAN: Yes. My colleague, the Hon. the Minister of Lands, advises that the Commissioners of the National Park and Wild Life Reserves are gradually implementing the policy of fencing reserves in conjunction with landholders. It is the practice of the Commissioners to provide all materials for fencing and the arrangement is that in consideration of adjoining landholders undertaking to clear and plough a firebreak one chain wide within the boundaries of the reserve, and erecting a fence, the Commissioners provide all the material necessary. This policy, which commenced in 1964-65, following provision of funds for the purpose, has met with marked success in the Hincks-Nicholls-Murlong Reserve, where with the co-operation of adjoining landholders, about 30 miles of fencing and firebreaks were established last year. In addition, about seven miles of fencing and firebreaks have similarly been established in Hambidge Reserve.

It is the intention of the Commissioners, as funds permit, to continue with this policy, and it is expected that eventually these reserves will be fully fenced and firebreaks established. The rate of progress in this regard will be determined by the availability of funds for this purpose. The Commissioners have reported that they expect the area to regenerate, as bushfires are known to have occurred from time immemorial in uncleared areas and are part of the ecology which promotes the growth of certain species.

GREENWAYS.

The Hon. R. C. DeGARIS: Has the Minister representing the Minister of Lands a reply to my question of November 16 about the sale of building blocks in Greenways?

The Hon. S. C. BEVAN: Yes. My colleague the Minister of Lands advises as follows:

The Town of Greenways is situated on land, the lease of which was surrendered by Mr. A. H. Gould in 1955. The area surrendered contained 94½ acres and was donated by Mr. Gould conditionally upon the Government paying all costs in relation to survey and half the cost of fencing the boundaries between the land donated and that retained by Mr. Gould. The department's share of the fencing cost was £130. The town was surveyed and the first of the allotments (1 to 12) were offered at auction on October 11, 1956 at an upset price of £10 each, and allotments 1 to 7 were sold at this figure in 1958. Subsequently, the Land Board revised the price of the unsold blocks (8 to 12) and applicants were advised that these blocks were available for purchase by private contract for £15 each. Allotment 8 was sold in November, 1959, and allotments 11 and 12 in 1961.

Allotments 7 and 8 were subsequently cancelled for non-compliance with the building condition. Allotments 9 and 10 were withdrawn from offer and arrangements made for these, together with allotment 8, to be auctioned publicly. The Land Board, when recommending the re-offer of allotments 8 to 10, gave consideration to the prices at which they should be offered, and had regard to the following factors:

(1) the previous pricings had been in 1956 and 1958;
(2) the costs which had been borne by the department for surveying, fencing and administration involved in offering and re-offering these allotments for sale; and
(3) variation in the value of money over the intervening period of eight years.

The board was of the opinion that, on present-day prices, an amount of £50 was a reasonable figure to charge for a surveyed residential site. Sales of land in this town have not resulted in any profit to the Crown as receipts have not covered even the costs of survey and fencing together with interest thereon. The prices of the blocks were increased for the foregoing reasons.

TAXATION INCREASES.

The Hon. C. D. ROWE: Last week I asked the Chief Secretary a question about the taxation increases made by this Government

since it came into office. I asked the question pursuant to Standing Order 107, which expressly gives the power to a member to ask a Minister a question relating to public affairs. The Chief Secretary kindly undertook to refer the matter to Cabinet. I shall be pleased to know whether he has a reply.

The Hon. A. J. SHARD: Yes. As promised. the question was referred to Cabinet. Cabinet's decision is that it is not prepared to comply with the request of the former Attorney-General in this matter.

TWO WELLS POLICE STATION.

The Hon. L. R. HART: Has the Chief Secretary a reply to a question I asked last Thursday about the staffing of police stations?

The Hon. A. J. SHARD: So that there shall be no misunderstanding, let me remind the honourable member that the question was in regard to the police station at Two Wells. The Commissioner of Police reports:

Two Wells police station is manned by a senior constable and a first class constable. The amount of police work performed at each police station is reviewed annually and adjustments are made to staffing according to need and the availability of men. The police work at Two Wells is comparable with that at other "two man" stations, (*e.g.*, Crystal Brook, Balaklava, Morgan. Waikerie) and to date does not justify the appointment of extra staff. Local court and bailiff duties occupy a considerable amount of the Officer in Charge's time, but, as he is paid separately for these duties, in addition to his police salary, he is expected to perform them in his own time and they are not considered when staffing requirements are assessed.

No application has been received for the posting of extra officers to Two Wells. Discussion has arisen as to the need for a Woman Police Auxiliary there, but no such appointment has been made nor is it imminent. Taking regulation days off is in the discretion of the Officer in Charge of each station. By regulations, he is entitled to two days off per week, and, particularly in the country areas, it is his duty to arrange his (and his staff's) days off and hours of duty.

TAILEM BEND SPEED LIMIT.

The Hon. R. C. DeGARIS: Has the Minister of Local Government a reply to a question I asked on November 25 about special speed zones at Tailem Bend?

The Hon. S. C. BEVAN: Yes. The Road Traffic Board has recently completed a survey of the Tailem Bend township area for the purpose of fixing speed zones. The results of the survey have been analysed, and it is anticipated a speed zoning regulation will be dealt with at the next board meeting on December 2, following which the regulation will be promulgated. This delay could have been avoided had honourable members given more careful consideration to the clause dealing with speed zoning contained in the recent Road Traffic Bill before Parliament.

LAND TAX ACT AMENDMENT BILL.

The House of Assembly intimated that it had considered the recommendation of the conference on the Land Tax Act Amendment Bill and agreed thereto, and had amended the Bill accordingly.

In Committee.

The Hon. A. J. SHARD (Chief Secretary) moved:

That the recommendation of the conference be agreed to.

Motion carried.

JUVENILE COURTS BILL.

Second reading.

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

That this Bill be now read a second time.

It is designed mainly to consolidate and improve the law relating to the powers of courts to deal with neglected and uncontrolled children and with certain offences by young persons and incidental matters. At present, the law relating to these powers of courts is contained in five separate Acts, namely, the Juvenile Courts Act, the Justices Act, the Maintenance Act, the Criminal Law Consolidation Act and the Children's Protection Act. The fact that this law is so scattered has made it difficult for all concerned in the administration of justice in relation to young persons, including justices of the peace both in city and country areas, to appreciate and understand fully the appropriate powers and procedures of the courts.

The provisions of the Criminal Law Consolidation Act and the Children's Protection Act relating to the corporal punishment of children are being repealed by another measure and are therefore not dealt with in this Bill, which, however, will incorporate with improvements the provisions of the present Juvenile Courts Act and the relevant provisions of the Justices Act and the Maintenance Act. The Bill is also based on a number of recommendations submitted to the Government by the special magistrate of the Adelaide Juvenile Court, Mr. J. Marshall, S.M., who made a thorough study of corresponding legislation in England, New Zealand and the other Australian States and consulted a number of persons well qualified on the subject.

Part I of the Bill, which deals with preliminary matters, consists of clauses 1 to 7. Clause 2 of the Bill provides that the Act shall come into force on a day to be fixed by proclamation. This will enable the preparation of regulations and forms to be used under the new legislation and will also enable other necessary administrative action to be taken before the Bill becomes law. Clause 3 repeals the present Juvenile Courts Act and certain provisions of the Justices Act that have been incorporated in this Bill with certain improvements. Clause 4 sets out the arrangement of the Bill. Clause 5 contains the definitions necessary for the purposes of the Bill. Some of these definitions are based on definitions and provisions contained in the Maintenance Act Amendment Bill.

Clause 6 contains necessary and usual transitional and saving provisions. Clause 7 provides in effect that any reference to a juvenile court in any legislation shall be deemed to be a reference to a juvenile court constituted under this Bill. Part II of this Bill, which deals with the constitution and jurisdiction of juvenile courts, consists of clauses 8 to 13. Clause 8 defines a juvenile court, for the purposes of this Bill, as a court of summary jurisdiction constituted either of a special magistrate or of two justices chosen from a panel of justices prepared in accordance with clause 9, but provides that, where it is not reasonably practicable for a court to be constituted of a special magistrate or of two justices whose names are included in such panel, any two justices may constitute a juvenile court.

Clause 9 provides for the preparation by the Attorney-General of the panel of justices who are in his opinion specially qualified to hear and determine proceedings against or in respect of children. Clause 10 re-enacts sections 7 of the present Juvenile Courts Act, which provides that where a juvenile court is to be held, if there is a special magistrate available, such court shall be constituted of such magistrate and not of justices. Clause 11 provides in effect that a juvenile court must not sit in a building in which any other type of court is sitting and that a juvenile court within the metropolitan area, as defined, shall sit only in such room or place as is approved by the Minister for the purpose.

Clauses 12 and 13 virtually repeat the provisions of section 6 of the present Juvenile Courts Act dealing with the jurisdiction of juvenile courts. In effect, a child must be brought before a juvenile court if he has not attained the age of 18 years unless otherwise provided by the Bill, but no conviction, order or adjudication of a court shall be invalid by reason only of a contravention of this provision and any justice may sit in any convenient room or place for the purpose of issuing any process or hearing an application for bail.

Part III of the Bill, which deals with the general procedure and powers of courts, consists of clauses 14 to 24. Clause 14 repeats with minor variations the provisions of section 9 of the present Juvenile Courts Act enabling a case to be referred by one juvenile court to another for hearing. Clause 15 makes provision for two eventualities. Firstly, where, in the course of any proceedings before a court other than a juvenile court, it appears to the court that the person against whom the proceedings were instituted is a child, the court may either proceed with the hearing as if it were a juvenile court or refer the case for hearing and determination by an appropriate juvenile court. Secondly, where, in the course of any proceedings before a juvenile court, it appears to the court that the person against whom the proceedings were instituted had attained the age of 18 years before the commencement of such proceedings, the court may either proceed with the hearing as a court of summary jurisdiction or refer the case for hearing and determination by an appropriate court of summary jurisdiction.

Clause 16 deals with the case of a child against whom proceedings are commenced who attains the age of 18 years before the proceedings are finally determined. In such a case the court may deal with him as though he had not attained the age of 18 years. In some cases the completion of the hearing might be delayed and it would be unfair to the defendant if, by reason of such delay, he were to be punished as an adult. Subclauses (2) to (5) of this clause extend the principle to cases where the child attains the age of 18 years before the Supreme Court makes an order upon committal or appeal from a court of summary jurisdiction.

Clause 17 deals with the case where charges are laid jointly against a child and an adult. In such a case a special magistrate will decide whether the interests of justice would best be served by a joint hearing in a juvenile court or an adult court or by separate trials. Clause 18 repeats with minor amendments the provisions of section 14 of the present Juvenile Courts Act enabling a juvenile court, which finds a charge against a child proved, to refer

the case to the Adelaide Juvenile Court to be dealt with. As a matter of practice many such cases are referred, under the existing provision, to the Adelaide Juvenile Court from country courts.

Clause 19 enables a court to order the attendance of a parent or guardian at the hearing of proceedings against a child. This provision is considered desirable, although in practice most parents or guardians voluntarily attend such hearings. Clause 20 deals with the adjournment of cases and the remand of children to an institution if not allowed to go at large and not released on bail. The provision allows the court, from time to time, to remand a child to an institution or other suitable place (not being a prison) or in the temporary custody of a suitable person for a period not exceeding, in each case, twenty-one days. Subclause (2) of the clause confers on the court concerned or the Adelaide Juvenile Court power, if necessary, to revoke the order and make another order of a similar kind. Subclause (3) empowers a juvenile court constituted of a special magistrate to remand the child for a period exceeding 21 days but not exceeding 35 days if the child, or his parent or guardian, consents to such remand.

Clauses 21 and 22 repeat with minor amendments the provisions of sections 19 and 20 of the present Juvenile Courts Act. They deal with the taking of evidence by a justice from a child who is unable, in the opinion of a legally qualified medical practitioner, to attend the court. Those provisions are seldom used but it is considered desirable to retain them. Clause 23 enables a court, on its own view, to determine whether a person charged is a child, in the absence of proof of the age of a child.

Clause 24 enables a juvenile court to have a child brought before it medically examined where the court has reason to suspect that the child's mental condition is such that he may not have been capable of forming the necessary intention to commit the offence with which he is charged. Part IV, which deals with special provisions relating to the hearing and determination of charges, consists of clauses 25 to 43.

Clause 25 provides that, subject to the provisions of the Bill, the provisions of the Justices Act will apply to the hearing of proceedings in a juvenile court. Clause 26 repeats with minor amendments the provisions of section 17 of the present Juvenile Courts Act. The clause provides that the court shall satisfy itself that a child (not represented by counsel) understands the charge and empowers the court to cross-examine witnesses and ask questions of the child so that the charge may be fully investigated to the satisfaction of the court.

Clause 27 repeats with minor modifications the provisions of section 161a of the Justices Act, which enables a child to plead guilty in a juvenile court to any indictable offence (other than homicide). The procedure in such a case will, subject to the Bill, be similar to the procedure for similar cases under the Justices Act.

Clause 28 provides that a juvenile court constituted of a special magistrate may, where a child charged with an indictable offence does not plead guilty, decide whether the child should be tried in the juvenile court or in the Supreme Court before a jury. Under the existing law, the parents of the child would have the right to demand a jury trial for an indictable offence even in the case of a child of tender years. As this is clearly undesirable, the clause provides that a special magistrate, who is in the best position to determine the matter, should decide where the child should be tried; but, before making his decision, the magistrate is required to take into consideration the representations of all interested parties and make a decision that will best serve the interests of justice having regard to the age of the child and other relevant factors known to the court. This provision will also enable a court, in a case of serious crime, or where the child is involved with adults, to commit the case to the Supreme Court for trial.

As a juvenile court will have jurisdiction to hear and determine all offences by juveniles other than homicide, the power to try any case of an indictable offence where the child does not plead guilty has been limited to special magistrates. Justices are not equipped to exercise this jurisdiction. In this clause, as in other provisions of this Bill where a juvenile court may exercise far-reaching powers, it has been provided that the trained special magistrate shall have jurisdiction to the exclusion of justices. These provisions involve no criticism of the work of justices but recognize the fact that it would not be reasonable to expect them to exercise jurisdiction in a field that requires specialist knowledge of the criminal law and the rules of evidence.

Clauses 29 and 30 deal with procedural matters relating to the summary trial of offences by children. Clause 31 allows a juvenile court constituted of a special magistrate that has found a child guilty of an indictable offence (other than homicide) to

exercise a discretion as to whether to sentence the child or commit the child to the Supreme Court for sentence. Past experience suggests that there will be few occasions on which a magistrate will exercise his power to commit a child to the Supreme Court for sentence and, as in clause 28, the magistrate will be required to exercise his discretion in a manner which will best serve the interests of justice.

Clause 32 deals with procedural matters. Clause 33 repeats with amendments the provisions of section 13 of the present Juvenile Courts Act. It enables the court to call for a specialist's report on a child's mental or physical condition and a general report as to his home environment and history. These reports are of great assistance to the court when considering the question of penalty. Under the prsent law the child and his parent, guardian or solicitor must be given the opportunity of seeing any part of a report that is detrimental to the child. Subclause (3), however, will allow the court a discretion as to whether the whole or any part of a report should be withheld from a child. This safeguard is necessary because such reports sometimes contain very personal information regarding the child or his parents that could adversely affect the child if made known to him, and is properly left to the discretion of the court.

Clause 34 empowers a juvenile court that finds a charge against a child proved to apply the provisions of the Offenders Probation Act or order the child to pay a fine not exceeding £50 or, if a lesser maximum penalty is prescribed for the offence, a fine not exceeding that maximum. Subclause (2) enables the court, without recording a conviction against a child, to exercise its powers under subsection (1) to impose such penalty or make such other order as it could have done if it had convicted him of the offence charged. This is an important consideration, as a conviction for an offence can have far-reaching and disastrous effects on the life of a child and his rehabilitation, especially at the stage when he is seeking employment. Under the clause, the court will exercise its discretion on the question of penalty without being bound by the minimum penalty (if any) prescribed for the offence alleged against the child.

Clauses 35 and 36 contain provisions that govern the manner in which children found guilty and convicted of an offence are to be dealt with by a juvenile court. They provide that a court constituted of a special magistrate will have power to commit a child so convicted to a reformative institution or to place him under the control of the Minister until he attains the age of 18 years but, if the child is over 18 years, he could be committed to a reformative institution or placed under the control of the Minister until he attains the age of 18 years or for any period not less than one year nor more than two years so long as the period does not expire before he attains the age of 18 years.

Clause 37 precludes a juvenile court constituted of justices from committing a child to a reformative institution. This is another clause that limits the power of justices. It is intended not as a reflection on the ability of justices but as a recognition of the fact that the making of an order of this kind is more appropriately a matter for a special magistrate who, because of his special training and experience, will be in a better position to determine whether or not a child should receive corrective training in an institution.

Clause 38 confers on a juvenile court, upon a charge against a child being proved, power to make an order disqualifying the child from holding or obtaining a licence to drive a motor vehicle if the court is satisfied, having regard to all the facts before the court, that the child is not a fit and proper person to hold or obtain such a licence. Under the Road Traffic Act, such a disqualification can be imposed only upon conviction of an offence involving the use of a motor vehicle. The clause provides that the court may make an order of disqualification without necessarily convicting the child. This provision is widely supported by persons concerned in the administration of justice and road safety. Many responsible persons are of the opinion that the age for obtaining a driver's licence in this State should be raised from 16 years to 17 years, but it is considered that this provision would more fairly deal with those young persons who demonstrate the fact that they are too irresponsible to be trusted with a licence rather than the majority of young licensed persons who cause no trouble being penalized. It is also considered that a disqualification from obtaining a licence, even for a short period, would have an excellent deterrent effect on juveniles and would be much more effective as a punishment than a fine.

Clause 39 confers on a juvenile court constituted of a special magistrate the powers of a court under sections 77 and 77a of the Criminal Law Consolidation Act. Those sections give courts certain powers in respect of persons (including children) suffering from

venereal disease and those who are found to be incapable of controlling their sexual instincts. The clause provides that these powers may be exercised by the juvenile court without necessarily convicting the child.

Clause 40 empowers a juvenile court to award compensation, not exceeding £200, against a child and his parents or guardian where the child has been proved guilty of any offence involving loss or damage to any person. In this State the courts already have certain powers to award compensation (for example, following conviction for an offence involving wilful damage to property, damage to a vehicle when it is illegally used, assault, etc.), and there is no reason why the same principle should not be extended to all offences involving loss or damage to any person. The amount that may be awarded is (subject to the limit of £200) left to the discretion of the court and will depend on the particular circumstances of each case. It has been found that the parents or guardian of a delinquent child are usually willing to assist in making restitution, but it is more desirable to empower the courts to make an order against them that can be enforced, if necessary. At present, the courts are sometimes obliged to accept a promise by a parent which may or may not be honoured. The amount of £200 has been prescribed as being a reasonable limit to the operation of the clause. Section 4 of the Offenders Probation Act contains a similar provision limited to £200. In the case of damage caused to a vehicle while it is used illegally a court has power under section 44 of the Road Traffic Act to order such a sum as the court thinks proper by way of compensation for any loss or damage suffered by the owner.

Clause 41 allows a Supreme Court judge on conviction of a child for an offence (other than homicide) to exercise the powers of a juvenile court constituted of a special magistrate or to refer the case back to a juvenile court for sentence if the judge feels so disposed. This alternative power would be needed only in rare cases but it is considered to be a desirable provision in case a judge should feel that it is a proper case to be referred back to the juvenile court. Clause 42 deals with the powers of the Supreme Court in respect of a child found guilty of homicide (other than murder). The judge is given a discretion to punish the child within the limits provided for the offence under the Criminal Law Consolidation Act or to exercise the powers of a juvenile court constituted of a special magistrate in a case of any offence punishable by imprisonment.

Clause 43 repeats with minor amendments the provisions of section 24 of the present Juvenile Courts Act. The clause, however, limits its application to the offence of murder. Part V of the Bill, which deals mainly with neglected and uncontrolled children, consists of clauses 44 to 52.

Clause 44 is consistent with sections 102, 103 and 106 of the Maintenance Act. It sets out the powers of a juvenile court in relation to neglected and uncontrolled children. Such children may be committed to an appropriate institution or placed under the control of the Minister. In either case the child will become a State child under the provisions of the Maintenance Act and the Minister will become responsible for his or her welfare. In this type of case it sometimes becomes apparent to the court that all the child requires is a short period of detention or control and subclause (5) allows the court to adjourn the case to give the child, and sometimes his parents, the opportunity of correcting bad habits without the necessity of making a final order by virtue of which the child would become a State child for a lengthy period. The clause contains adequate safeguards to enable the Minister to exercise effective control of the child during the period of the adjournment and, depending on the child's progress, the court has power to dismiss the charge or make an order under subclause (1).

Clause 45 provides that a child found to be neglected or uncontrolled is not to be regarded as having committed an offence and subclause (2) allows the court to determine a complaint charging a child with being neglected or uncontrolled in the manner which appears to the court to be in the best interests of the child. Clause 46 is consistent with sections 111 and 112 of the Maintenance Act as amended by the amending Bill introduced during this session, so far as neglected and uncontrolled children are concerned, except that an uncontrolled child cannot be sent to a reformative institution except where a special magistrate considers that the child ought to be sent to such an institution. Clause 47 provides that a juvenile court constituted of justices cannot send an uncontrolled child to a reformative institution. This is in line with the policy explained earlier in relation to orders of committal to reformative institutions. Clauses 48, 49 and 50 relate mainly to procedural matters in connection with the apprehension and taking of proceedings against neglected and uncontrolled children. Clause 51 is in line with the provisions of the Maintenance Act, as

amended, which enables a court to further remand a child under the age of 12 years without requiring his or her attendance before the court.

Clause 52 is in line and consistent with the effect of section 108 of the Maintenance Act. It enables the court to receive as evidence any report from a member of the police force or an officer of the Department of Social Welfare and contains safeguards similar to those contained in clause 33. Part VI of the Bill deals with appeals from, and reconsideration of penalties by, juvenile courts and consists of clauses 53 to 55. Clause 53 allows a Supreme Court judge when hearing an appeal from a juvenile court to make any order that could have been made by a juvenile court constituted of a special magistrate. Clause 54 is an important addition to the law in that it allows a juvenile court to review its own decision on the question of penalty. Under the existing law the only way in which a sentence can be reviewed is by appeal to the Supreme Court. It sometimes happens that an incorrect order is made by a juvenile court or that the circumstances relating to the child change materially after an order has been made. In either case it is desirable that there should be some easy and inexpensive means of obtaining a review of the order. Under the clause an order my be reviewed by the court which made it or by the Adelaide Juvenile Court. The clause contains certain safeguards as to time limits and prevention of overlapping between an application for reconsideration to a juvenile court and an appeal to the Supreme Court. The clause also provides that the Adelaide Juvenile Court may entertain an application by an officer of the Social Welfare Department for reconsideration after the expiration of the time limit for appealing against the order or making an ordinary application for reconsideration. This provides an additional safeguard to correct an invalid order after all other remedies are no longer available. Rights of appeal to the Supreme Court are preserved except in the case of an application by an officer of the department to the Adelaide Juvenile Court after all rights of appeal have expired.

Clause 55 repeats with minor alterations the effect of sections 21 and 22 of the present Juvenile Courts Act. The clause enables the courts to rectify any errors made in the belief, subsequently found to be wrong, that a person is over or under the age of 18 years. Part VII of the Bill, which consists of clauses 56 to 68, contains general provisions. Clause 56 makes it clear that a juvenile court is not an open court and that only persons directly concerned in the case before the court are entitled to be present. Subclause (2) provides that the court may order a child or his parents or guardian to retire from the court-room during the hearing of any part of the proceedings. This power is necessary as it happens, not infrequently, that a child or his parent or guardian wishes to say something to the court in the absence of the other. Clause 57 re-enacts the provisions of section 23 of the present Juvenile Courts Act which provides that a child under eight years of age cannot be found guilty of any offence. Clause 58 is consistent with section 111 of the Maintenance Act so far as it concerns the committal of convicted children to reformative institutions. Clauses 59 and 60 relate to procedural and administrative matters and are consistent with the existing provisions of the Maintenance Act.

Clause 61 deals with the punishment of persons who fail to comply with an order or judgment of a court of summary jurisdiction. The Clause is consistent with section 113 (2) of the Maintenance Act and enacts with minor alterations the substance of sections 92a and 92b of the Justices Act. These sections of the Justices Act are being repealed by clause 3 and the Schedule of this Bill. The clause contains necessary powers to enforce orders for the payment of fines and other monetary penalties. Clause 62 is consistent with section 105 of the Maintenance Act and with the Maintenance Act Amendment Bill and enables the court, in certain circumstances, to punish the parent or guardian of a neglected or uncontrolled child or a child offender where the default of the child was due to some fault of the parent or guardian. Clause 63 relates to procedural matters and is consistent with subsection (1) of section 179 of the Maintenance Act.

Clause 64 deals with the publication of reports of proceedings in juvenile courts or in the Supreme Court on appeal or committal from juvenile courts. The existing provisions of section 12 of the Juvenile Courts Act have been expanded to cover publication by radio and television in addition to publication in newspapers. The clause enables publication unless the court otherwise orders, but, unless permitted by virtue of a court order, the name, address or school of the child concerned must not be revealed. Clause 65 deals with the use of forms and needs no explanation. Clause

66 is consistent with section 205 of the Maintenance Act which provides that before a warrant for the apprehension of a child is issued the complaint must be substantiated to the satisfaction of the justice on oath. Clause 67 contains the regulation-making powers. Clause 68 provides for the summary disposal of offences against the Bill. The Schedule repeals certain provisions of the Justices Act which have been incorporated in this Bill or relate to corporal punishment of children or are inconsistent with this Bill.

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

PHARMACY ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 25. Page 3170.)

The Hon. D. H. L. BANFIELD (Central No. 1): I desire to clear up only a few points. I assure honourable members that I shall finish before the tea adjournment. The Hon. Mr. Potter mentioned that the Friendly Societies Medical Association was able to invest in the wholesale druggist business and was able to buy at least 20 per cent more cheaply than the private chemist. That is correct in some ways: it is correct when the honourable member says that the F.S.M.A. can invest in the wholesale druggist business. This applies also to the guild chemists, with a shareholding in the local pharmaceutical wholesalers of about £200,000, and they have been receiving a dividend of up to 15 per cent and a monthly rebate of about 5 per cent on their purchases, so the advantage to the F.S.M.A. is not great when we look at those figures.

The guild itself handles, amongst other things, its own guild lines, which are not available to the friendly societies. The claim that the friendly societies can buy at least 20 per cent better than the private chemists can is not correct, as many manufacturers (including Parke Davis, Burroughs Wellcome, Abbott Laboratories, Nicholas, Stirling Pharmaceuticals and F. H. Faulding) trade with the F.S.M.A. on exactly the same terms as they do with guild pharmacists. As regards restrictions in other States, in Victoria there have been no restrictions for the last eight years on the 67 friendly society dispensaries operating in that State.

The Hon. R. A. Geddes: On the same terms?

The Hon. D. H. L. BANFIELD: Without any restrictions. In Queensland there have been no restrictions for the last 30 years and they have 19 dispensaries operating. In New South Wales restricting legislation, identical to ours, was passed in about 1940. I cannot obtain the number of dispensaries in New South Wales but I know that that State is not insurance-minded: it is more anxious to get its money quickly from the one-armed bandits than it is interested in insurance. In Western Australia in 1964 all restrictions were removed from the 10 dispensaries operating at that time, but they clamped down on any more friendly society shops opening in Western Australia. That is the present position in the other States.

On Thursday I said that it cost 3d. a week for a member to be able to get his medicine at a cheaper rate. That figure was correct for a single member but, for a family member, it costs 6d. a week. Six shillings and sixpence a quarter works out at 6d. a week.

The Hon. R. A. Geddes: That is 6d. per unit of family?

The Hon. D. H. L. BANFIELD: No—6d. for the whole family and 3d. for a single member. It is 6d. for the whole family whether a man has one or a dozen children.

The Hon. A. J. Shard: Under 16?

The Hon. D. H. L. BANFIELD: I think it is under 17. He can apply for benefits for 6d. a week to cover the whole family. This 3d. or 6d., as the case may be, entitles the member to receive non-Government prescriptions at one-third the normal retail price, and those people who entered the scheme prior to April, 1964, can get Government prescriptions for 1s. instead of 5s. A member is also entitled to a two-thirds refund of the cost of medicine incurred while in an approved hospital. It appears that the argument about the different rates for Government prescriptions is one that the guild should take up with the Menzies Government and not with the State Government, as the Menzies Government introduced this legislation. The Menzies Government is well aware of the mistake it made but elections come along every so often and it does not want to upset the 90,000 members already in the scheme, so it amended the legislation to provide that members who became members after 1964 would be the only ones to pay the 5s.

The Hon. L. R. Hart: Does the means test apply to the membership?

The Hon. D. H. L. BANFIELD: Yes. One has to be able to find 3d. a week; otherwise, one is not entitled to benefit. If one can find the 3d. a week, he is classified as eligible for benefit.

The Hon. C. D. ROWE: That is getting increasingly difficult in South Australia.

The Hon. D. H. L. BANFIELD: I appreciate that but, if the Government finds that members are unable to find the 3d. a week and sufficient pressure is brought to bear upon the Government, no doubt a grant will be made to those people who are unable to find the 3d. a week for medicine. That is, of course, while the Labor Government is in power. I would not expect that concession from an anti-Labor Government.

The Hon. L. R. Hart: It has been happening for years.

The Hon. D. H. L. BANFIELD: Yes, and that is why the people changed the Government last March. For some reason best known to the guild, I did not receive a memorandum which, according to a report in last Friday's *Advertiser*, was sent to members of this Council. I said on Thursday that I had not received a telegram from the guild. I thought it had gone broke and was not able to send me a telegram either.

According to this report in the *Advertiser*, the President of the South Australian Branch of the Federated Pharmaceutical Service Guild of South Australia (Mr. Smylie) and the President of of the Pharmaceutical Society of South Australia (Mr. Wilson) claimed that:

The friendly society pharmacists compete tax-free and on an unfair basis with privately-owned pharmacies and are not subject to control by the Pharmacy Board.

I have since studied the paper to see whether any corrections have been made in the paper, because I wanted to give the benefit of the doubt to reports not being strictly correct. I thought that possibly this report would be corrected in the press, but I have been unable to find any correction in the paper. I am now informed that the guild agrees that this is not strictly correct. Because of that, I am not going to be so hard on the gentlemen as I intended to be. However, I still think that they have erred by not seeing that this press report was corrected. The report is misleading and is not true.

The Hon. L. R. Hart: Was the report in *Hansard* of your speech last Thursday in relation to friendly societies correct?

The Hon. D. H. L. BANFIELD: The report in *Hansard* of my speech was correct. I shall give the Council the wording of that in a few minutes but I want to correct the statement that appeared in the *Advertiser*. I suggest that, in the interests of everybody, the statement that appeared on Friday ought to be corrected. As it stands, it is false and misleading. Section 121A of Division 9A of the Income Tax Assessment Act provides that friendly societies dispensaries are to be taxed 10 per cent on the aggregate of the following amounts, deemed to be taxable income:

(*a*) Amounts received by the friendly societies dispensaries from the Commonwealth under the National Health Act, 1953, in respect of the supply of its pharmaceutical benefits, and

(*b*) The gross proceeds received by the friendly societies dispensaries from the sale or supply of medicines and other goods sold or supplied in the ordinary course of business, not including amounts received from a friendly society for the supply of benefits to the members of that friendly society.

It can be seen that, under that provision, it is possible for the friendly societies to be at a disadvantage compared with private chemists, because private chemists pay income tax only on profits, not on the basis of 10 per cent (as is the case with friendly societies). To say that they are tax free is completely misleading, and the statement that they are not controlled by the Pharmacy Board is partly correct, but it is still misleading. The managers of F.S.M.A. pharmacies are under the control of the Pharmacy Board and are answerable to that board.

The Hon. R. A. Geddes: Who owns the freehold of the chemist shops operated by friendly societies?

The Hon. D. H. L. BANFIELD: I could not tell the honourable member, but I would say that the societies themselves do, not the individual pharmacies. However, that is only a guess, and I stand to be corrected on it. Copies of a letter sent to Mr. W. K. Moon, President of the National Health Services Association of South Australia, by Mr. Smylie, State President of the Pharmaceutical Service Guild, have been sent to honourable members and the last paragraph of that letter reads:

I would be pleased to meet you at the earliest convenient time to discuss ways that this service could be implemented so that National Health Services Association members can receive the benefits your association offers and in addition enjoy the many services provided by their local Guild Chemist.

They are suggesting ways and means by which the guild could dispense as a service to members of friendly societies. I was also interested in a paragraph of the letter sent in reply. I think it puts the position favourably. The letter was dated November 26, and I think this Bill came before us last Tuesday, November 23, which means that the approach came only following the introduction of the Bill. The paragraph to which I refer reads:

I was rather surprised to note that copies of your letter offering to negotiate with this Association have been sent to all lodges and members of Parliament. This seems to be a strange manner in which to commence negotiations with another body. It raises doubts in my mind as to whether you are genuine in your desire to discuss matters with this Association or whether your letter has been motivated for political reasons.

If we note the date of that letter, I think we can all agree that quite an amount of political motivation caused it to be sent. There was a time when the Pharmaceutical Service Guild did contract for the supply of medicine to certain friendly societies, but it terminated this agreement in 1951 at its pleasure, not at the request of the friendly societies. I do not know the reason for that, but I can only surmise that—

The Hon. L. R. Hart: That would be fairly important, wouldn't it?

The Hon. D. H. L. BANFIELD: It wouldn't be important, because they would not want to go on with the contract when they have members that they can supply. Remembering that it was the guild that cancelled the contract—

The Hon. L. R. Hart: I am not too sure that it cancelled it.

The Hon. D. H. L. BANFIELD: I am saying that it did, so the honourable member can be sure now. We can assume that the guild possibly wanted a little more than the friendly societies were prepared to pay. However, we cannot be sure of that.

The Hon. M. B. Dawkins: It is nice to know that you cannot be sure of something.

The Hon. D. H. L. BANFIELD: I admit it. That is the difference. I think it is better for a person to admit that he is not sure than to get up and say certain things in the hope that they go over. On this occasion, these people have stated things that they have been told are correct. I agree with the Hon. Mr. Dawkins that it is better to admit that you are not sure than to make misleading statements and have people come back at you later on. At least, a person does not mislead when he says he is not sure. That leaves room for other members to follow through.

The Hon. R. C. DeGaris: The honourable member learnt that story.

The Hon. D. H. L. BANFIELD: I learnt it before I came here. I would never have learned it from honourable members opposite, because they have never admitted that they have been wrong, whereas I have admitted it on several occasions.

The Hon. A. J. Shard: You had a fairly good tutor.

The Hon. D. H. L. BANFIELD: Yes, and I am still proudly working under him.

The Hon. R. A. Geddes: The fourth Minister?

The Hon. D. H. L. BANFIELD: Honourable members had their chance to appoint a fourth Minister before, but they rejected it. To sum up, when we are considering the Bill, we have to consider the following points: since the establishment of the 26 friendly society pharmacies in 1947, there has been a 98 per cent increase in the number of members of friendly societies and coverage is given to a total of 223,560 persons. There has also been a 59 per cent increase in the population during that period. The percentage of friendly society pharmacies, compared with private pharmacies, has dropped from 11 per cent in 1947 to 5.73 per cent in 1964.

If this Bill is passed and we allow the friendly societies to have an extra 10 shops, this will bring the percentage back to about 9 per cent, so we will not get back to the position that applied in 1947. By increasing the number of pharmacies to 36, 223,560 people at present covered, as well as new members, will be able to have protection when they need it. The members will be able to receive a service better than they are receiving now and for which they are paying.

The Hon. L. R. Hart: Do you mean a 24-hour service?

The Hon. D. H. L. BANFIELD: I do not know that people are clamouring for a 24-hour service. However, the friendly society establishment in King William Street is open every night of the week until 10 or 10.30.

The Hon. A. J. Shard: It is open until 10.30.

The Hon. D. H. L. BANFIELD: Yes, and its members have the benefit of this.

The Hon. A. J. Shard: And the dispensary at Port Pirie is on call 24 hours a day.

The Hon. D. H. L. BANFIELD: Yes, the members are getting a service there. If the members clamour for a 24-hour service and it becomes necessary for the F.S.M.A. to provide it, I have no doubt that it will be provided. The members are now clamouring for extra pharmacies in new areas, and the F.S.M.A. wants to provide them. It has been said that, if 10 more pharmacies are established, they will put guild members out of business, but that is far from correct; in view of the big increase

in members, this extra number will have no effect. I therefore have pleasure in supporting the second reading.

The Hon. G. J. GILFILLAN (Northern): I support the second reading of this Bill, the main part of which is taken up with the new provisions relating to the university course for a degree in pharmacy. This merely makes regular what is in effect taking place now, as I understand that the course is already approved. A three-year course of lectures will be attended, after which candidates will have to spend one year dispensing under supervision. I consider this move, which has been advocated by many people for many years, is wise. Many young people who desire to become pharmacists will find the course much more attractive, as it will enable them to take part in activities followed by other people of their age, whereas under the old system of apprenticeship their time was fully occupied in working in a shop and attending lectures. Students from the country who were taking these courses in the city often found themselves left out of many activities of other young people of their age. Clause 6 relates to the power of the board to make regulations, and enables the board to carry out its duties in administering the Act.

The Hon. A. J. Shard: You and I will agree on the regulations, won't we?

The Hon. G. J. GILFILLAN: I do not know; we have not seen them.

The Hon. A. J. Shard: I mean with the principle of regulations.

The Hon. G. J. GILFILLAN: Yes, I agree about the principle of regulations and the principle contained in this part of the Bill. I, like other members, think that the contentious clause is clause 5. I commend the two previous speakers for the manner in which they have presented their case and contributed much information. I, like other members, am aware of the problems in this provision, which has concerned many people for a long time. This is not a matter of percentages or of what people are doing in other States. Although these things are interesting information, it is what is fair and just that we must consider. In coming to a conclusion on this, I think we must consider two main points; the first is the right of a person to conduct a business against fair and open competition and the second is the right of a contributor to a benefits scheme to obtain the benefits provided under that scheme.

The Hon. A. J. Shard: They are the two kernels.

The Hon. G. J. GILFILLAN: They are the two points we must consider. When we consider the right of a person to conduct a business against fair and open competition, we come up against a difficult problem, as we have on the one hand the registered pharmacist who has to find his own capital. Unless he buys into an established business he has to go out into one of the new areas.

The Hon. D. H. L. Banfield: Don't the drug houses finance him?

The Hon. G. J. GILFILLAN: They may do so, but the money has to be paid back irrespective of its source. It is a basic principle of finance that borrowed money must be paid back with interest. An increasing number of drugs, many of which are expensive, is coming on to the market, and the further a pharmacist is from the point of distribution the larger is the stock he has to carry to cover all eventualities. Some criticism has been made about pharmacies carrying a large range of cosmetics, cameras and other sidelines. In the areas that I know best, carrying these extra lines is providing a service that is appreciated, because in those areas no other business people provide as big a range of cosmetics, cameras and photographic material. This matter of carrying other lines breaks even, as many grocers carry proprietary lines of medicines, so I do not think the argument is relevant.

A pharmacist, who has to provide his own finance, must pay taxation whereas the friendly societies have the advantage of receiving subscriptions from their members free of tax. I understand from the Hon. Mr. Banfield that they are not taxed on their service to members but that they are taxed at 10 per cent on gross takings only, which is a considerable taxation concession overall.

The Hon. D. H. L. Banfield: What other services would a dispensary give?

The Hon. G. J. GILFILLAN: I am only stating what the honourable member has quoted from the Act. The friendly societies have the great trading advantage of being able to dispense medicine under the National Health Act at a rebate of 4s. for every prescription. If a person has four prescriptions, he gets a rebate of 16s. No doubt getting medicines cheaply would appeal to many people. Previous speakers have mentioned the buying advantages enjoyed by the friendly societies. It could be a big advantage in any business having a buying advantage, particularly when it is not enjoyed by competitors. It is one of the reasons why the Prices Act was amended

on several occasions, adding further clauses relating to unfair trade practices. That was in advertising, displaying of price tickets, and a number of things but it included a clause on buying advantages. I refer to clause 33c in the Prices Act, which states:

A retail trader shall not by any threat promise or intimidation, induce or procure or attempt to induce or procure a manufacturer or wholesale trader to sell to him for sale by retail any amount number or quantity of goods (whether such goods are declared goods or not) of a particular class grade and quality upon terms or conditions (including conditions as to price and the allowance of discounts) more favourable than those upon which that manufacturer or wholesale trader is selling or offering for sale a like amount, number or quantity of goods or like class grade and quality to other retail traders.

It is obvious that this principle has been recognized not only by the Government in this Parliament but also recognized by it when in Opposition, when it supported this section in the Prices Act most strongly. Therefore, a principle of equal opportunity in business has been established. Other advantages enjoyed by friendly societies occur when there is a large business with a large turnover. A large number of untrained staff is employed under the supervision of a qualified pharmacist. I understand that this number in some instances could be as high as eight or 10.

The Hon. A. J. Shard: That is not correct; I have a complete answer to that.

The Hon. G. J. GILFILLAN: I stand to be corrected on that, and I say from the outset merely that I have been told it could happen.

The Hon. D. H. L. Banfield: We seem to have converted the honourable member.

The Hon. G. J. GILFILLAN: It is a fact that there is a large ratio of untrained to trained staff.

The Hon. A. J. Shard: Not in the dispensing section.

The Hon. G. J. GILFILLAN: And some hundreds of prescriptions are handled each day.

The Hon. A. J. Shard: There seems to be a bit of extravagant language there.

The Hon. G. J. GILFILLAN: That could be so, but there are advantages that friendly societies enjoy, and I think the most important is that the guild chemists are not permitted to conduct their own contributory schemes. I think this is the kernel of the matter. As the Hon. Mr. Banfield stated, this partly comes under the jurisdiction of the Commonwealth Government, which controls national medical and health services, although I understand that legally they cannot prevent guild chemists from forming a contributing scheme of their own. However, under that scheme heavy pressures can be brought to bear to make such a scheme almost impossible.

The Hon. D. H. L. Banfield: A form of blackmail, do you think?

The Hon. G. J. GILFILLAN: The honourable member may call it what he likes, but this is something that concerns the Commonwealth Government. I refer to the high cost of the free medicine scheme. The 5s. prescription was brought in as a deterrent, and it is realized that the friendly societies with their benefits had a big trading advantage, but it was also realized that if they extended this benefit further it could add considerably to the cost of the medical health scheme. It is a Commonwealth matter, and we are dealing with the Bill before us, which is a State matter.

The second point I made originally (and I consider this to be important) is the right of a contributor to a benefit scheme to obtain the benefits of that scheme. If the F.S.M.A. is concerned solely with the services to members, they may open as many shops as they like. Also, if they wish, they can close an existing shop and operate elsewhere. But the guild chemists in some country areas supply F.S.M.A. members with medicine and they then claim and obtain a rebate. In effect, the scheme can be administered through existing pharmacies.

The Hon. L. R. Hart: And is being administered.

The Hon. G. J. GILFILLAN: Yes, but the F.S.M.A. apparently will not agree to this being done in the metropolitan and near-metropolitan area for reasons best known to itself. If the only consideration is to give service to members, they would no doubt either take advantage of the exemption that they may open shops to serve their own members or they could arrange a scheme with guild chemists to serve their members in those areas where there are no F.S.M.A. shops.

If the national health scheme is examined, it can be seen that many contributory schemes under the Health Act of the Commonwealth give service to the public. In South Australia we have the Mutual Hospital Association, and I have never heard it suggested that that association should establish its own medical service or its own hospital to give service to its members, and I cannot for a moment see why the F.S.M.A. cannot service its members through the existing agents and organizations of pharmacy shops throughout South Australia. If the guild was allowed to run its own benefit scheme I would have no objection at all to

complete open trading, but as the F.S.M.A. has the trading advantages (and I think it must be admitted that they are trading advantages) it is a different picture. It has been suggested, or some people are of the opinion, that all chemists make a fortune. I think it is fair to say that the average chemist makes a good living; some better than others. However, in the newer districts chemists are struggling to get established, particularly those endeavouring to bring up a family. On average, I think they are like many other professional men who have trained for years in a profession in order to make a good living.

They do not make a fortune and they give service to the public. Therefore, I believe any move that will endanger the livelihood of any one of these people is a move in the wrong direction particularly as it affects the public, and we must consider the public when assessing the benefits from the scheme. This can be done outside this Act, and it is only a matter of the policy of the friendly societies themselves. These societies can service all their members through existing channels. It has been suggested that friendly societies have asked for 10 extra shops with the hope of perhaps getting four, or a lesser number. I mention that, if we admit the principle is right (that they should have extra shops) I do not see how we can limit them to a small number, although this may be preferable from the pharmacists' point of view. If that is agreed in principle, then Mr. Banfield's arguments as far as population increase is concerned are good. I maintain that it is not necessary to have this increase in the number of shops, which will act to the detriment of established businessmen.

The Hon. A. J. Shard: Don't you believe in free enterprise? I shall be arguing your case, directly!

The Hon. G. J. GILFILLAN: I do believe in private enterprise against equal competition. That is the whole crux of the matter. These are the two main points at issue. One is service to members of societies and the other is that every man has the right to conduct his own business.

The Hon. A. J. Shard: If you take your argument to its conclusion they should never have been permitted to have any.

The Hon. G. J. GILFILLAN: This argument could hold water; I have not gone into that.

The Hon. A. J. Shard: If you are right, that is the position.

The Hon. G. J. GILFILLAN: I was most interested in the interjection about private enterprise, because I could not help, when listening to the previous speaker talking about these concession prices, thinking of this in regard to men in established businesses.

The Hon. D. H. L. Banfield: The concession prices that they can obtain for a weekly payment of 3d.

The Hon. G. J. GILFILLAN: I do not know whether they make a profit out of this 3d. I wonder whether the same principle would apply to the honourable member's way of thinking. I believe there were interjections recently about the proposal to employ cheap Japanese labour for mining iron ore in Western Australia.

The Hon. D. H. L. Banfield: But these people are not employing cheap labour.

The Hon. G. J. GILFILLAN: I am not suggesting they are, but the principle involved of suggesting that concessions should apply, to the disadvantage of people already established in their businesses, is similar. However, I am getting off the point of the Bill. I object to clause 5, because of the two main points I have mentioned—the right of a man to conduct his own business against fair competition, and the necessity to give the members of the friendly societies adequate service. The second point can be completely taken care of through existing channels, as it would need only a change in the internal management of the friendly societies; it would not require any amendment to this Act.

Clause 6 deals with the board. There is a wish among some pharmacists that there should be some control of shopping hours. I would not support such a move, because, if we agree to the principal of free enterprise on the one hand, we must support it on the other. Therefore, I would not support any move to control the hours of pharmacists. I support the second reading and indicate that I shall oppose clause 5 in Committee.

The Hon. M. B. DAWKINS (Midland): I, too, support the Bill in general terms, except for clause 5. I support generally, also, the Chief Secretary's amendment on the file to alter "apprentice" to "trainee", which is in keeping with professional guidance in the matter. I would have spoken in favour of some such alteration had the Chief Secretary not put this amendment on the file. I am not happy about the provision in clause 5 providing for an increase to 36 friendly society shops. I am not unduly concerned about the large and successful chemists. We

are apt to blind ourselves to the general position by looking at and taking note of the large and successful chemist. We may be tempted to think that all chemists are successful and affluent. It can fairly be said that some chemists are not only efficient in their profession but also good businessmen who have done very well. The temptation is there to say, "Well, these affluent chemists could well stand a few more F.S.M.A. shops." The pharmacy guild in this instance is not unduly concerned about its more successful members, either.

In opposing an increase in the friendly societies' shops the guild is particularly concerned about the many chemists who are reasonably successful but not particularly anxious to spread into other fields of business, who are making a moderate living, a little above the basic wage, but who could, in the face of unfair competition, easily go under and lose their assets and business. The Hon. Mr. Banfield was sorry that he had not received a telegram from the guild chemists. I can only assume that the members of the pharmacy guild felt he was beyond redemption, anyway in relation to this Bill. On the other hand, I must say he did not miss much by not receiving any telegrams, because I am not happy about some of the telegrams I have received. I have them here in front of me and am tempted to cite one or two, but probably I had better not. However, some of them are belligerent. I remind some of my friends in the pharmacy business that, if a man uses a bulldozer, he sometimes comes up against thick, solid rock. Some of these messages that have been sent to Parliamentarians over the last week have not assisted the chemists' case: rather the reverse. I consider that normal and quiet persuasion is far better than the bulldozing tactics that have been used. In one telegram, I was invited to show judgment and I understand that if I did not do that in the way that the particular persons required me to, I would not have any judgment in his opinion. I resent implications of this type being sent to Parliamentarians. I suggest to the members of the pharmaceutical guild (present company may well be excepted) that a more reasoned approach frequently will get better results.

Nevertheless, I must say that my first reaction was a little like that of some other people—well, the chemists are doing extremely well and, on the case they put up, my heart bleeds for them. Perhaps I was not sincere in that thought; my heart did not bleed very much. However, I have made it my business over the last week to make some inquiries from some friends I have in the profession as to the general set-up. I consider that a number of sincere members of the profession who do their job exceedingly well and conscientiously as qualified chemists and who are not prepared to engage in business expansion may be victimized by the strategic placement of F.S.M.A. shops in certain areas. Therefore, in speaking against clause 5, I am considering the average chemist who may not be quite as successful as the people we usually think of as being affluent chemists. I am sorry that the Hon. Mr. Banfield is not in the Chamber just now, because I wish to refer to something he said.

The Hon. L. R. Hart: Perhaps he has gone to get a message.

The Hon. M. B. DAWKINS: I do not know whether he has gone to get more information about the Bill, but he could well do with it. He concluded by saying that the extra F.S.M.A. pharmacies would not affect the guild chemists in any way whatsoever. I think I have his words correctly; I copied them down when he said them. I consider that that statement is absolute nonsense. I can understand that there might be X number of chemists in a town and that a young man would find it uneconomic to open up an extra shop in that town. I can think of one particular country town in my own district that would be in this category. Young men have built up businesses in the city of Elizabeth and, as the Hon. Mr. Gilfillan has said, they certainly would have to pay back any finance obtained from the drug houses. If we are going to put a friendly society shop, with all its advantages, in that city, prescriptions will be available at favourable rates—

The Hon. D. H. L. Banfield: Are there many members at a disadvantage at present?

The Hon. M. B. DAWKINS: I think there will be disadvantages if we put shops in that area. I consider that most of the chemists there are not making a really good living. Most of them are earning a little more than the basic wage, as the honourable member himself has said. Any extra could well victimize chemists in various areas and I am not in favour of the clause as it stands.

Some parts of the legislation need review, as the Hon. Mr. Potter has said. I agree with what he has said about a non-qualified person owning a chemist shop. I am informed that the Pharmacy Board has no control over such a person. Admittedly, he has to employ a qualified pharmacist and that person is required to lock up the dangerous drugs on leaving the

premises at night. However, the owner then has access to Fourth Schedule poisons and, if he distributes some of these illegally, he is liable to a fine in the police court, but the Pharmacy Board has no control over him and he could return and operate his shop the next day. However, a qualified pharmacist would almost certainly be disqualified by the Pharmacy Board for a long time if he did that. I think this clause should be cleaned up.

There should, however, be some provision enabling the widow of a chemist to retain an interest in the business. The hours of trading were mentioned by my honourable friend, Mr Gilfillan, and I commend the pharmaceutical guild on its attitude in this regard. I may be wrong, but I think many of them are thinking in terms of their less successful members in seeking the addition of the words "hours and" in clause 6 (*j*) before the word "conditions". I think it may well be that the word "conditions" may cover most of the requirements and that these particular words may not be necessary. If I interpret correctly the action of the guild in this regard, it does underline my feeling that in this particular case they are acting on behalf of their smaller and less-established members.

I have discussed this matter with a very successful chemist, who told me that it would be no trouble to him to open his shop, with two qualified men working shifts, for 12 or 14 hours a day on seven days a week and squash out the smallest pharmacy in that particular area. In my view, this man showed a most responsible attitude by not wanting to do that. He was in favour of some restriction such as this, so that pharmacies do not become too large and so successful that they could, in fact, squeeze their competitors out of business. I commend the guild for what I understand to be its attitude on that. However, I think it may well be that the words as they stand now will take care of that particular eventuality.

I think the members of friendly societies in country areas are now quite well catered for, because they can take their prescriptions to guild chemists, have them dispensed and be given a copy of the prescriptions with receipts, so that they can then claim refunds from their lodges or benefit societies, in terms of the National Health Act.

I consider that the Hon. Mr. Gilfillan had a point when he mentioned that the Mutual Hospital Association does not have its own facilities yet carries on its activities successfully. In many areas where the F.S.M.A. is not now represented by a shop, it could successfully work through guild chemists and provide facilities for its members. This applies particularly to country areas.

As I have said, I do not favour clause 5 as it stands, as I think the requirements of members of the society can be catered for under the existing situation. I am not happy about the attitude of friendly societies in that they have never pioneered an area. Even the Hon. Mr. Banfield, who made a very good speech from his point of view, did not say they had.

The Hon. A. J. Shard: They were prohibited from pioneering in one place.

The Hon. M. B. DAWKINS: They have not been prohibited in other places, and there are many places where they could have pioneered; for instance, at Elizabeth.

The Hon. A. J. Shard: They wanted to go there years ago but were prohibited.

The Hon. M. B. DAWKINS: That would be the great exception. Now that certain young men have risked the financial hazards of opening up businesses there, the societies would be happy to go there.

The Hon. A. J. Shard: They wanted to go there in the first instance.

The Hon. M. B. DAWKINS: They could have gone to many other places.

The Hon. D. H. L. Banfield: How could they under the present Act with all the restrictions on them?

The Hon. M. B. DAWKINS: I think they could well have opened a shop in Port Adelaide, where they have many members, on a restricted basis. They could provide a good service there and make an excellent profit, even from their members only.

The Hon. D. H. L. Banfield: They are in Port Adelaide.

The Hon. M. B. DAWKINS: I am aware of that, but if they had wanted to go to Elizabeth so badly they could have applied to restrict their Port Adelaide shop to members only. They could still have gone to Elizabeth with one of the 26 shops they were allowed.

The Hon. D. H. L. Banfield: Do you think it is fair that they could not sell you a packet of Aspros whereas a grocer could do so?

The PRESIDENT: Order! I am wondering who is making this speech.

The Hon. M. B. DAWKINS. I, too, am wondering that. The honourable member had a fairly good chance early. The friendly societies are having a fair go at present, as

they are getting certain benefits; my colleagues have referred to them. I have shown my concern about clause 5, and my comments about clause 6 are probably covered by the present wording. As I shall have an opportunity to speak further in the Committee stage, I support the second reading.

The Hon. JESSIE COOPER (Central No. 2): I rise to support only part of this Bill. It seems to me utterly futile that some of the proposed amendments are aimed at improving the professional status of chemists (clause 3, part A of subclause (*b*), and subclause (*c*)) whereas, in the same breath, clause 5 seeks to extend dispensaries owned and controlled by an organization outside the jurisdiction of the Pharmacy Board and not subject to control for unprofessional conduct.

I consider it a bad principle of Government to make a set of restrictions against one group of people, namely, private chemists who are operating within the law, and then to turn around and produce competitors who do not have to operate in the same sphere of legal restriction. Surely, that is not just. At present, there is no shortage of chemist shops. If and when the demand increases, it will be met by young men trained in our universities, private individuals, setting up shops. We must beware of allowing a law to be used to establish small pharmacies with special rights and privileges, pharmacies used as bait solely to swell the membership of friendly societies, which, irrespective of the good work they may be doing, should not be encouraged to become colossal monopolies at the expense of our well-established and efficient system of private pharmacies.

Such an attempt to gain more shops is just an example of empire-building by people whose responsibility it is to run these organizations. It is not required to meet any public demand for more services. I should like to refer to the long tradition of excellent chemists and pharmacists we have had in this State. Many of our chemist shops have been owned and conducted by two or even three generations of the same family. I am lucky enough to deal with such a one.

The Hon. R. A. Geddes: They are almost a tradition, aren't they?

The Hon. JESSIE COOPER: Yes. These private chemists are entitled to the protection of the law. They have given unselfish service to the community. They have always been on hand in an emergency. They have always observed a rigid set of regulations, conduct and ethics. They should not now be subject to an overbearing organization that may destroy them simply by a twist of Federal law that gives unjustified commercial advantage to one group. I trust that clause 5 will be considered in all its ramifications and deleted.

The Hon. L. R. HART (Midland) moved:

That this debate be now adjourned.

The Council divided on the motion:

Ayes (5).—The Hons. M. B. Dawkins, G. J. Gilfillan, L. R. Hart (teller), C. C. D. Octoman, and C. D. Rowe.

Noes (13).—The Hons. D. H. L. Banfield, S. C. Bevan, Jessie Cooper, R. C. DeGaris, R. A. Geddes, Sir Norman Jude, H. K. Kemp, A. F. Kneebone, Sir Lyell McEwin, F. J. Potter, Sir Arthur Rymill, A. J. Shard (teller), and C. R. Story.

Majority of 8 for the Noes.

Motion thus negatived.

The Hon. L. R. HART (Midland): This Bill is another typical example of the type of measure we are getting before this Chamber illustrating that the Government is introducing hastily prepared legislation. This view is borne out by the fact that before many speeches were made on this measure the Chief Secretary, who is in charge of the Bill, introduced a whole page of amendments. The Bill consists of only four pages, the first of which can practically be disregarded because it deals with definitions, etc., yet he has introduced a whole page of amendments. This is not the only occasion when this has been done; on many occasions during the session the Government has introduced a host of amendments, sometimes even before the second reading of a Bill has been debated.

The Hon. S. C. Bevan: Which Bills?

The Hon. L. R. HART: I can refer to them.

The Hon. S. C. Bevan: Why don't you?

The Hon. L. R. HART: I am speaking about this Bill at present.

The Hon. S. C. Bevan: That is all you can name.

The Hon. L. R. HART: If we made a survey of the speeches made in this Chamber and in another place we would find that most of them were made by members of the Opposition. I admit that it is the prerogative and duty of the Opposition to study all Bills, but if it were not for the Opposition's taking an active interest in legislation before both Chambers the measures would be crippling to the community. This Bill is a typical example of that. I do not think the Government has been well briefed on this measure. It is biased towards a particular section of

pharmacists; there is no question about that. One has only to listen to the speech made by the Hon. Mr. Banfield to realize that.

The Hon. D. H. L. Banfield: I thought you said Government members were not speaking on Bills.

The Hon. L. R. HART: You had your say this afternoon.

The Hon. D. H. L. Banfield: You said Government members were not speaking to Bills.

The PRESIDENT: Order!

The Hon. L. R. HART: The Government has revised its opinion on the legislation before us. The Hon. Mr. Banfield has put up a very good case for the F.S.M.A., but I am not sure if he read his own speech.

The Hon. A. J. Shard: He did not attempt to read it. You do not know anything about it.

The PRESIDENT: Order! I must ask the Minister not to continue to interject.

The Hon. L. R. HART: This afternoon the Minister interjected that the friendly societies wanted to start at Elizabeth but were prevented from doing so. At Elizabeth there are shopping centres; one cannot squat anywhere and open up a business, as one must start only in a shopping centre, where provision is made for different types of business. In this way protection is given to the pharmacist, so obviously it is to the advantage of the friendly societies to settle at Elizabeth because they will be protected from competition. The fact that they want to serve their members is beside the point, as the guild chemists are prepared to serve members of friendly societies.

This Bill has been adequately covered by several previous speakers, who have made very good speeches on it. I am opposed to clause 5. I believe in free competition and private enterprise. I believe that private enterprise should have the opportunity to start up wherever it believes the opportunity exists. Under the Friendly Societies Act, society chemists have certain advantages in that they are protected by a law and they are not controlled to the same extent as guild chemists are. The Pharmacy Board controls private chemists and the people who work under their control. The manager of the friendly societies is controlled by the board, admittedly, but he is the only person who is. Prescriptions must be made up under the supervision of a qualified chemist. If one takes a prescription to a private chemist one is able, unless it is a complicated prescription, to get it within half an hour, but if one takes a prescription to a friendly society chemist at 10 a.m. one is told to call back at 4 p.m. The societies cannot give immediate attention because of the great number of prescriptions they have to make up. It is impossible for a qualified pharmacist employed by the friendly societies to supervise personally the making up of prescriptions in a society dispensary. I believe this is wrong and should not be tolerated.

Provisions such as those under the Friendly Societies Act are not tolerated by any other profession. The Hon. Mr. Banfield made a number of assertions today, but I ask him: what would be the attitude of his union if a certain section of the bootmakers union, of which he has some knowledge, decided to set itself up as an association and decided also to provide bootmaking services at reduced prices, prices below those subscribed to by the union? They would be totally opposed to it!

The Hon. D. H. L. Banfield: How do you know?

The Hon. L. R. HART: It is trade union policy, because those people would then be termed "scabs".

The Hon. D. H. L. Banfield: When were you in the boot trade union? You were never in it.

The Hon. L. R. HART: I have done a bit of boot slogging. However, I believe the honourable member has some knowledge of that union: or perhaps I am mistaken, as it may have been the boot legging union.

The PRESIDENT: Order! The honourable member should address the Chair.

The Hon. L. R. HART: I beg your pardon, Sir, I was really addressing the Chair, but the interjections were coming in such great volume that I could not deal with them individually.

I believe that if there are to be increased F.S.M.A. shops allocated under this Bill we should be in a position to say where those shops will be set up. Such a provision as that is not included in the Bill. I also believe that the number of shops required by the F.S.M.A. under this Bill are in excess of the requirements of the community. The charge of 5s. under the national health scheme was introduced so that there would not be an abuse of the scheme. By some means or other, under the Commonwealth Act, it was provided that friendly societies should be able to make up prescriptions for 1s., and that gave them a trading advantage. That advantage brought an abuse of the Commonwealth health scheme, but it was realized at a later date that this was occurring and it was eventually rectified.

However, at the present time the services that the friendly societies claim they are able to give to their members under the national health scheme can also be provided by the guild chemists.

Those chemists are prepared to make up prescriptions at a charge of 1s. each and the other 4s. can be recovered from the friendly societies. However, I believe this annuls the argument that the friendly societies need further shops to provide services to their members. They provide such services by the fact that they are a non-profit organization and are in a position to have certain benefits conferred upon them that are denied to the guild chemists. I further believe that, if we are to pass this Bill in its present form, certain guild chemists will be out of business because certain friendly society chemists will squat in their areas.

I am prepared to support additional shops only if this Parliament has some say as to where the shops will go. At this stage I am not prepared to support clause 5, but I believe that the whole Pharmacy Act should be reviewed and that all chemist shops should be owned by the pharmacists operating them. They should not be operated by an outside person.

The Hon. D. H. L. Banfield: That does not apply with guild members. Some of them own four shops.

The Hon. L. R. HART: I know that; I am not arguing that point. I believe that a chemist shop should be owned by the particular pharmacist operating it. If that was the case, I would have no objection to clause 5 for the increase in friendly society shops because the shops would be owned by the pharmacists operating them. However, both points have been fully covered by other speakers, and I do not wish to delay the Bill any further as I realize it has to be discussed in another place. At this stage I am prepared to support the second reading with the reservations that I have indicated.

The Hon. R. C. DeGARIS (Southern): I support the second reading of the Bill, but I do have certain doubts upon the controversial clause 5. I congratulate honourable members who have spoken in this debate, on whatever side they have spoken: first of all, the Hon. Mr. Potter, who drew his case clearly and fairly, and also the Hon. Mr. Banfield for his contribution to the debate. However, I consider that certain matters should be examined closely. First, the Hon. Mr. Potter raised the question of the use of the word "apprentice" in the Bill, and the Chief Secretary has on file an amendment altering it to "trainee". The crux of the problem is to decide whether pharmacy is a trade or a profession. If it is accepted that it is a trade, then the conditions under which it operates should be different from the conditions one would expect for a profession. However, under this Bill before the Council it is accepted that pharmacy is a profession. I think most people, in looking at a profession, would say it is not reasonable that any professional business should be owned by a person outside of that profession, controlled by a person not covered by the controls or the ethics of the profession.

If it is accepted that pharmacy is a profession, the circumstances I have instanced would not be tolerated in any other profession. There is the analogy given by previous speakers of the Mutual Hospitals Association or the National Health Services Association running hospitals and doctors in order to treat their patients. We can appreciate how this would be detrimental to a profession. Let me put another angle. We have been informed of the possible effects on retail pharmacists of the interruption of a service to the public if this amendment is accepted. Arguments have been put both for and against this. Apart, however, from the retail side of this, the wholesalers play an important part. They not only supply a distributing service but also provide financial assistance to young men wishing to establish themselves in pharmacy. Most people receiving such assistance establish themselves in country areas not adequately serviced by a pharmacy. They incur a considerable liability in the country, either personal or one that they owe to their families. As these areas grow and the business flourishes, is it right to threaten those people with competition by an organization that is able to buy and provide a service on a different plane from that of the guild chemist? I am not arguing any point other than that one side of the profession is on a different trading plane from the other.

Australian, and particularly South Australian, manufacturers are being opposed by oversea organizations in certain sections of drug production. Many foreign companies do most of their distribution on a direct selling basis and do not use the wholesaler or distributor. They offer their services to the Friendly Societies Medical Association at a discount greater than that which can be offered by a wholesaler. Because the friendly

societies obtain their wholesale profit plus the normal retail profit, it is reasonable to assume that these products would be merchandised at the expense of local manufacturers, thus resulting in a fall in production by Australian companies. This, on any examination, can be proved to be the truth of the matter. If it is allowed to continue, the ultimate result will be staff reductions in our own South Australian factories, a loss in taxation from Australian companies, and a direct effect upon employees, drivers, representatives, warehouse men and female office staff, whose continuous employment in these industries will be in jeopardy.

The purpose of the friendly societies was to serve lodge members but their present practice of conducting open shops and extending them against the retail pharmacist and entering into wholesale transactions is to the detriment of the profession in South Australia. I should like the Chief Secretary to give me some assurance on these matters to which I am about to refer. The Pharmacy Board should be a corporate body with perpetual succession under a common seal. I believe this is the usual thing under our Statutes in boards of this nature. Secondly, premises should be registered only in the name of a principal or manager, either of whom must be a pharmaceutical chemist. At present the principal Act deals only with the registration of individuals. A point worth noting is that recently there was an amendment to the Road Traffic Act whereby the owner of an overloaded truck was liable, too, along with the driver. Under our present Pharmacy Act, if a person who is not a pharmacist owns a pharmacy and employs a qualified pharmacist and any prosecution is to be laid, the owner in no way can be prosecuted: it is only the employee who is liable. I know that the Chief Secretary would be interested if this set of circumstances applied to any other section of industry or business in South Australia.

My next point concerns allowing the operation of a co-operative pharmacy (for example, Burdons Ltd. in Adelaide) owned by guild chemists. Under the principal Act this co-operative is not mentioned in section 26a. The board should have power to make regulations controlling advertising by associated companies carrying on the business of a pharmaceutical chemist. Does the Government intend taking early action on these matters? Apart from clause 5, I support the second reading.

The Hon. Sir LYELL McEWIN (Leader of the Opposition): The Bill has been well debated and the matter of the amendment to the Pharmacy Board has been under discussion for some time. I have some knowledge of it. The only problem in this Bill is clause 5. I can support the early part of the Bill. It is refreshing to note the Chief Secretary's amendment. The wording has been changed to "as approved by the Minister on the recommendation of the board". Where everything in these days is "under the direction of the Minister", it is refrehing to know that in this case the Minister will have the advice of the board so that he can approve. I am wondering if a further amendment is required. I draw attention to line 5 on page 2.

The Hon. A. J. Shard: There is a necessary amendment in lines 4 and 5.

The Hon. Sir LYELL McEWIN: I did not see it on the list.

The Hon. A. J. Shard: No, I have written it out.

The Hon. Sir LYELL McEWIN: I was wondering wheher the word "apprentice" should be changed to "trainee". There is no quarrel about that, and I agree with the proviso regarding a hospital receiving a Government subsidy or grant in aid. We can accept that it is a hospital of some standard. Regarding clause 5, the difficulty has always been in connection with additional shops. I may say, contrary to the definite views that have been expressed, on previous consideration of this matter, when I received representations from both sides and traced the history of guild *versus* friendly societies, I found that there was argument on both sides worthy of consideration.

On this occasion, while I have received many representations by way of communications, I have had a conversation with a private chemist that gave me answers that I have not had before. As I have had no representations whatsoever from the friendly societies regarding this measure, I can only make up my mind on what new information I have had. It has appeared to me that there was a definite advantage pertaining to friendly society chemist shops as against chemists in private practice, although there may be qualifications to that. Honourable members have probably heard me use the expression before that, when in doubt, vote "No", and leave the position as it is.

The Hon. A. J. Shard: You did not vote "No" last Saturday week, did you?

The Hon. Sir LYELL McEWIN: I shall deal with one subject at a time. This is not a secret ballot. I have risen to indicate that

I am prepared to not give a silent—vote on this and, because of certain doubt in my mind, although I was inclined to consider that some percentage increase might have been justified in view of the development that has taken place since 1947 when the provision for 26 shops was inserted, until I can feel that I can do so without injury to anybody in the same line of business, I am prepared to support the Bill and maintain the present position.

There is no need for me to go into detail. The only qualification I make is that unless I can be assured, then I prefer to maintain the *status quo*. I consider that I must vote against clause 5. That can be considered on a future occasion, perhaps. I am not even going to engage in discussing something that is not in the Bill and is not the subject of a motion, although it has been mentioned in debate. I confine myself to the Bill, and support all provisions except clause 5.

The Hon. C. R. STORY (Midland): At the outset, I say that I have been a subscriber to a friendly society lodge and an initiated member of a friendly society lodge since I was 16, and I have much sympathy for the friendly societies and for what they have done for people who, if they had not been able to get into a society for their mutual protection, would have been in certain difficulty in regard to medicine, hospitalization and generally in regard to health care. I am not impressed with a document that is in my possession and which came from the pharmacy office, 209-13 Hanson Street, Adelaide, over the signature of Mr. Smylie and Mr. Wilson, representing the Federated Pharmaceutical Service Guild of Australia and the Pharmaceutical Society of South Australia Incorporated. In this thing they say:

> The Friendly Society Medical Association, a parasitic cancer within the pharmaceutical profession . . .

That, to me, is not a correct statement, nor does it do anything for the ethics of the society that these gentlemen represent. I am a strong believer in the right of private enterprise and private individuals. As the same time, there are many people in the community (and perhaps this applied more so in the past than at present) who have not always had the opportunity to be rabid private enterprise people, and it seems to me that to use that sort of language is excessive in the superlative.

The Hon. M. B. Dawkins: They do themselves a lot of harm by using that sort of language.

The Hon. C. R. STORY: They do. When one is a member of Parliament, one has to balance the position of the pharmacist with that of other people in private enterprise, and many struggling small business people in country towns who make their livings in the fancy goods business or the tobacco business or by doing some selling in the photographic field have been victimized by these very people who now come out and talk about this parasitic cancer in the pharmaceutical profession. I am not at all impressed by this, because I believe that there is a place for each. I happen to have been brought up in an industry where, if it had not been for the existence of friendly societies and the co-operative movement, I would have ended up on the opposite side of these benches. I am not at all impressed with the arguments put forward on this subject and intend to support the Government on the matter.

The Hon. A. J. SHARD (Chief Secretary): I thank honourable members for the time they have spent and the work they have done on this measure. The arguments on both sides have been put clearly, and I congratulate my colleague, the Hon. Mr. Banfield, on his excellent speech. It was remarkable that at no stage did he have to read, and his contribution was a forerunner of what can be expected from him in future. He must have studied the Bill closely, as he put the point of view of the friendly societies as effectively as the Hon. Mr. Potter put the guild's point of view. There was no bias by either honourable member.

I have no axe to grind in this matter, and I do not want anyone to believe that the Bill was brought in hurriedly. If the honourable member who was so outspoken about the amendments to be introduced looked at the Bill he would see that it was similar to a measure drawn up in 1964. I know that I must take the responsibility for introducing it, but the amendments are to correct a measure that was drawn up during the term of office of the previous Government, and they are all at the request of the Pharmacy Board. I think it would pay all members to be doubly sure about who prepared various Bills before commenting on the responsibility for them.

The Hon. Sir Lyell McEwin: We know who prepared this Bill, but who introduced it?

The Hon. A. J. SHARD: I said that I took the responsibility for introducing it. It has been said that this is hurried legislation. Honourable members know that many Bills

have been introduced during the session. This measure was given to me soon after the election, and without being egotistical I pointed out that I did a tremendous amount of work on it because I knew of possible complications. I met the Pharmacy Board, I think on two occasions, the Pharmacy Guild on at least two occasions and the friendly societies on another occasion. In addition, I spoke to private chemists who had a wealth of experience and to members of friendly societies, so it can be seen that I made myself as conversant as possible with the position. I had to weigh up the results, and I thought the balance of right was with the friendly societies. I do not accept that they do not give service. I was a member of a friendly society until the depression, but as I could not keep up with my payments my membership ceased. I have been living in the same house for 40 years and have dealt with only two chemists in that time. First, I dealt with a private chemist who was, I think, a member of the guild, and I received very good service. He died and, as a friend of mine was managing the friendly society pharmacy in the locality, I went there and got just as good service.

The Hon. R. A. Geddes: Even though you were a member?

The Hon. A. J. SHARD: I was not a member. I got the service I wanted, and deliveries were made by the society chemist. In 1961 or earlier, when the societies could not dispense prescriptions for non-members, I went back to the shop where I had gone previously (which had changed hands) and got good service there also. It is not true that one does not get good service from the friendly societies.

The Hon. R. C. DeGaris: Did anyone say that?

The Hon. A. J. SHARD: Yes, extravagant language has been used. It is the responsibility of the Government, through the Minister, to weigh up the rights and wrongs of any matter. It was said that the F.S.M.A. asked for 10 shops, but it did not ask for any specific number; it wanted as many as it could get. Possibly it wanted another 26. If it is right that it should have extra, it could perhaps make out a case for getting 26 more. I made a suggestion to Cabinet and after discussion it was decided that 10 would be a reasonable increase. I agree with the Hon. Mr. Story that the language used in certain telegrams and letters is extravagant and does not do the guild any credit. I received the following letter dated November 24:

Pharmacy Act Amendment Bill: Memorandum to members of the Legislative Council. Having now had the opportunity of carefully examining the proposed amendments to the Pharmacy Act, it is the considered opinion of representatives of the pharmaceutical profession that the amendments as proposed by the Government are on the one hand decidedly detrimental to the economic future of the profession (clause 5) and on the other hand completely inadequate to resolve any of the shortcomings of the Pharmacy Act. The proposed amendments seek to improve the professional standard of chemists by providing a degree course at the university yet ironically seek also to legalize the extension of friendly society dispensaries, which are owned and controlled by unqualified laymen who are outside the jurisdiction of the Pharmacy Board and are not subject to control for unprofessional conduct.

They are not controlled by laymen; every dispensary must have a qualified pharmacist. The following is the titbit of all:

It is requested that either clause 5 be deleted or alternatively all the amendments rejected to enable the profession to submit a model Pharmacy Act.

The wording used in this and other correspondence does not increase the standing of the profession; it makes one doubtful where it is going and what it is thinking. I said earlier that extravagant language was used. If it is said that they make up hundreds of prescriptions a day without the appropriate protection, I want to make it clear that I checked this matter closely. I have my own ideas on what should be done and I hope that sooner or later if the regulating authority we propose to give to the Pharmacists Board is not sufficient by ensuring that the quota of apprentices or trainees under the supervision of a pharmacist is limited to two, then I hope a Bill will be introduced to rectify the position. Let me say that the standard of the health of the people in this State is of paramount importance in my mind.

The Hon. C. D. Rowe: Has the Minister had any reports of accidents that have occurred through wrong prescriptions?

The Hon. A. J. SHARD: No. It has been said by the Pharmacy Guild that the F.S.M.A. do all of these things where the shops are not supervised. Let me say I have never been told by a friendly society chemist at 10 o'clock in the morning to come back at 4 in the afternoon. I have taken a prescription in and had only the usual 20 to 30 minutes to wait. In fact, the chemist has said to me on occasion, "You are too busy; we will send it up." I checked this matter with the friendly societies because I thought it was a serious matter, and that is what I discovered. In

their Adelaide shop they have four registered pharmacists, seven unregistered assistants and one apprentice, making a total of eight.

The Hon. R. C. DeGaris: Apprentices or trainees?

The Hon. A. J. SHARD: Unregistered assistants and apprentices, and they have no trainees. I asked these people, some of whom I have known all of my life (and I accept their word), "If you are doing the wrong thing, you had better put your house in order." In every shop in the dispensing section there is at least one registered pharmacist for every two unregistered apprentices or trainees, and they are not exceeding that proportion. When such things as have been said in this debate are mentioned people should be certain of their facts before making the allegations. I want to say that I do not accept the guild's point of view that assistants in the F.S.M.A. shops are not under supervision. Some of my colleagues have made a check of certain shops in connection with that point, and I repeat that I do not accept the guild's comment.

With respect to honourable members who disagree with the point I now intend to make, I ask: if it was right in 1947 that the friendly societies should be protected to the extent that they were protected (and I think it was right that they should have been) then let us look at the growth of population and the membership of the societies going back to 1947. In that year the metropolitan area, excluding Salisbury and Elizabeth, had a population of 382,454 with the population of the State being 646,073. In 1962, the metropolitan area was 593,350 and South Australia 985,077. In 1964, the metropolitean area was 607,800; South Australia, 1,031,611.

Looking at the position from the number of contributors, population, membership and pharmacies: in 1949 the number of contributors was 45,393; the number of persons covered, 114,844, with a percentage of 30.028 as related to the metropolitan area and a percentage of 17.775 in relation to the population of the State. In 1962 membership was 72,000 with the number of persons covered 182,116, being a percentage of 30.69 in relation to the metropolitan area and 18.49 in relation to the State. In 1964, membership was 90,000 with the number of persons covered, 223,560, being a percentage of 37.78 for the metropolitan area and 21.67 in relation to the State. The membership increase at that stage represented 98 per cent.

Turning now to the number of pharmacies in South Australia the figures were: in 1948, 228 private pharmacies, 26 F.S.M.A.; percentage of F.S.M.A. to private, 11. In 1955, 359 private pharmacies, F.S.M.A. 26, percentage 7. In 1962, 435 private pharmacies, F.S.M.A. 26, percentage 6. In 1964, 453 private pharmacies, F.S.M.A. 26, percentage 5.773. If the F.S.M.A. was in order in being in business in 1947, it is equally in order today, and it could be argued that they are entitled to at least a 100 per cent increase in the number of their shops. We have to do what we think is right; it is not Government's aim to close up small shops, but at least we consider that people who become members of a friendly society should have the right to service from one of the societies if they so desire. If 10 extra shops were granted and all were in the metropolitan area it would not affect the private guild members one iota because in the places in my area (and the Hon. Sir Norman Jude would know that area) the little one on the street corner has not harmed anyone in any way at all.

The Hon. C. D. Rowe: The Bill does not limit it to the metropolitan area, though.

The Hon. A. J. SHARD: No, nor do I say that. I will mention that later. No member can accuse me of being unfair.

The Hon. C. D. Rowe: I am not doing that.

The Hon. A. J. SHARD: Thank you. I am prepared to say to all members of the guild, it is true that if the friendly societies went to a country town perhaps the milk would get considerably thinner if there were two pharmacists at that town and it would be necessary to wait until the natural growth in population came along. I am not sure where the friendly societies would go. I know of one country town with a big membership and there has been a request that one should go there. They will probably go there whether or not this Bill is passed.

The Hon. M. B. Dawkins: Do you think they could open a shop and still make a profit by serving only their own members?

The Hon. A. J. SHARD: No; I would not expect them to open up a shop in those circumstances, because they would break the law every day of their lives.

The Hon. M. B. Dawkins: Why would they?

The Hon. A. J. SHARD: Because they would not know if a private individual came in and said he was a member. They are not allowed to sell to the public. If they open up a shop over the 26, they have to serve their own members only: they are not permitted to sell

to the public a tube of toothpaste or a packet of Aspros; if they did, they would be breaking the law. Yet the greengrocer or the big supermarket is permitted to do that.

The Hon. Sir Lyell McEwin: They are confined strictly to pharmacy?

The Hon. A. J. SHARD: Strictly to their own members, if they go above the 26.

The Hon. C. D. Rowe: But anybody can become a member.

The Hon. A. J. SHARD: If he wishes to. If we believe in free enterprise and open competition—I did not think I would ever have to stand up here and talk to honourable members opposite in support of free enterprise. The trade is there for the 26, and it was not the Labor Government that fixed that number.

The Hon. F. J. Potter: They must be doing increasing trade, on your figures; they have more members.

The Hon. A. J. SHARD: They have more members; they have big memberships in certain parts of the State where they are unable to put shops to service their members. Much has been said about their not pioneering. They have not left a stone unturned to get a footing into Elizabeth. They were prepared to go there and grow up with Elizabeth but they were not permitted to go. They wanted to purchase a block of land in Elizabeth but were refused the sale of a block. Don't blame them for not going to that area. Honourable members opposite say they believe in free enterprise and open competition but here we have, on the one hand, the guild members who have every right to go to Elizabeth and places round about; yet the other people are barred and not permitted to go there. Is that free enterprise?

The Hon. Sir Arthur Rymill: But they are not permitted to go there for their own members?

The Hon. A. J. SHARD: Yes.

The Hon. Sir Arthur Rymill: But is not that their business?

The Hon. A. J. SHARD: I do not say "No" to that.

The Hon. Sir Arthur Rymill: You are talking about freedom. Apparently, they want to get beyond their own charter.

The Hon. A. J. SHARD: No. I thought the honourable member was a champion of free enterprise.

The Hon. Sir Arthur Rymill: I am.

The Hon. A. J. SHARD: They were barred at Elizabeth. I go no farther than that.

The Hon. Sir Arthur Rymill: But not within their own charter.

The Hon. A. J. SHARD: They could go anywhere within their own charter.

The Hon. Sir Arthur Rymill: You are talking about their going beyond their charter.

The Hon. A. J. SHARD: They were barred at Elizabeth; they were refused the sale of a block of land when they wanted to go there to open a shop.

The Hon. Sir Arthur Rymill: For their own members?

The Hon. A. J. SHARD: Yes.

The Hon. Sir Arthur Rymill: Was that the basis on which it was put to them?

The Hon. A. J. SHARD: I do not know, but an iron curtain was drawn across in this free State of South Australia, which does not make good reading, whichever way we look at it. I have no axe to grind on this matter. I have to sum it up and make a recommendation. Certain suggestions have been made by the Pharmacy Guild and the Pharmacy Board for further alterations. I wonder what has been going on over all the years when we were in Opposition? There has been some suggestion of a corporate body and registered owners. The first suggestion may be all right but the second one is not easy to get over. I should like to know who are the registered owners of the pharmacies in the emporiums. I do not know that but hope to find out who owns them and whether they are qualified chemists.

The Hon. S. C. Bevan: You will find that many are not.

The Hon. A. J. SHARD: I agree. We have heard about the competition between these people in the pharmacy business. Real competition in future years, from the guild's point of view, will not come from the F.S.M.A., because one of these days some other big organization will get it into its head to start in on these lines that the pharmacies are selling, where there is a big disparity in price between the guild and the F.S.M.A. Then there will be real compttition, but I hope it does not come. I am old-fashioned enough to like the little grocer, the little shopkeeper. The Pharmacy Board and the Pharmacy Guild have also mentioned 24 hours' shopping. This is not a simple problem. I am in sympathy with them but we must think about this. It will take much working in. We are looking at that problem. I do not think it is right that Burdon's should give a 24 hours' service a day for 365 days of the year while people around them open only until half-past ten, grab the cream, and then lock up and go to bed, while the other fellow is still open. We cannot

cater only for Burdon's in King William Street or the people who can get there: we must cater also for the people at Elizabeth, Glenelg and Port Adelaide who possibly want a 24-hours' service. If we close it up for one and limit the hours of trading, we must do it in the case of the other. This problem was put to me six to eight weeks ago and I thought I should examine it.

The Hon. Sir Lyell McEwin: But it is not in the Bill, is it?

The Hon. A. J. SHARD: I know it is not but the Hon. Mr. DeGaris asked for an assurance on it, and being a good and kind-hearted fellow I am trying to oblige him. An improvement to the regulations may tie up many loose ends. If they do not, the Pharmacy Board, the F.S.M.A. and the Pharmacy Guild could agree to it.

The Hon. Sir Lyell McEwin: You would not forget the public, would you?

The Hon. A. J. SHARD: No. That is why I do not want to do anything in a hurry, because it is not easy.

The Hon. C. D. Rowe: You spoke about these additional shops possibly being in the metropolitan area. There is no provision in the Bill as to where they should be.

The Hon. A. J. SHARD: No.

The Hon. C. D. Rowe: Is the Government prepared to express a view on that?

The Hon. A. J. SHARD: I have not given it any thought. I have heard only one country town mentioned where they may go. I do not know whether that gives the honourable member an answer. The guild knows that town that has been named. That is the only town outside the metropolitan area I have heard mentioned.

The Hon. C. D. Rowe: Would it satisfy the friendly societies if they had a shop in that one town?

The Hon. A. J. SHARD: If a percentage is to be in the metropolitan area and a percentage in the country, I shall be happy to look at the matter. There is nothing political in this and there is no kudos to be gained out of it. However, on the balance of judgement, I think the F.S.M.A. is entitled to something. In conclusion, I want to say (and I hope my friends will take this back to their members) that using extravagant language and telegrams to me and telling me who pays my salary do not concern me. If I took that attitude in life, I might not have got anywhere. I have adopted the attitude that I walk a line and do what is right. It is no good their sending me nasty telegrams; I generally put them in the proper place, the waste paper backet. I thank honourable members for their consideration of the measure. It is a controversial Bill and I knew that when I introduced it. However, I can look anyone in the eye and say that I have done what I think is right. I hope that enough honourable members support me.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Persons entitled to be registered."

The Hon. A. J. SHARD: I move:

In new subparagraph (*a*) to strike out "an apprentice" and to insert "a trainee", to strike out "Minister" and insert "Chief Secretary on the recommendation of the board"; in new paragrapha va (*a*) to strike out "an apprentice" and insert "a trainee", to strike out "institution" and insert "establishment", to strike out "Minister" and insert "Chief Secretary on the recommendation of the board"; and in new paragraph va (*b*), before "Australia" to insert "South".

The substitution of the words "a trainee" for the words "an apprentice" takes the matter away from a trade basis and keeps it on a professional basis, and the Pharmacy Board has asked that that should be done.

The Hon. F. J. POTTER: Can the Minister explain the reason for the insertion of the word "South" before the word "Australia"? Why are we excluding graduates from other universities in Australia and limiting it to South Australia?

The Hon. A. J. SHARD: The amendment is designed to limit the qualifications to graduates of any university in the State, as reciprocal registration of pharmacists who are graduates of other States is already provided for in section 22 (4) of the Act.

Amendments carried: clause as amended passed.

New clause 3a—"Registration when apprenticeship served during war."

The Hon. A. J. SHARD: I move to insert the following new clause:

3a. Section 22a of the principal Act is amended—

(*a*) by striking out the words "indentures of apprenticeship" in paragraph (*a*) of subsection (1) thereof and inserting in lieu thereof the words "an agreement of traineeship";

(*b*) by striking out the word "apprentice" wherever occurring therein and inserting in lieu thereof the word "trainee" in each case;

(*c*) by striking out the words "contract of apprenticeship" in subsection (3) thereof and inserting in lieu thereof the words "agreement of traineeship";

(*d*) by striking out the words "indentures of apprenticeship which are" in subsection (4) thereof and inserting in lieu thereof the words "agreement of traineeship which is";

(*e*) by striking out the word "indentures" (second occurring) in the said subsection (4) thereof and inserting in lieu thereof the word "agreement"; and

(*f*) by striking out the word "apprentices" in the said subsection (4) thereof and inserting in lieu thereof the word "trainees".

New clause inserted.

Clause 4—"Non-application of sections 26 and 26a to certain hospitals."

The Hon. A. J. SHARD moved:

After "hospital" first occurring to insert "receiving a Government subsidy or grant in aid."

Amendment carried; clause as amended passed.

Clause 5—"Restriction on friendly societies."

The Hon. G. J. GILFILLAN: I compliment the Chief Secretary on his explanation, but if any criticism has been made of the services given by friendly societies (I cannot recall this, although it may have been made) that is not the main point. It is a matter not of the service but of having a professional organization and a friendly society organization working under a different law within the Act. The objection has been made because the trading of the two organizations is not on an equal basis, and one organization therefore has an advantage. The principle of equal rights applies whether there is to be one extra shop or 10. The boundaries of the metropolitan area have not been defined; these have been discussed recently.

The Hon. F. J. Potter: These would be the boundaries fixed in 1940, wouldn't they?

The Hon. G. J. GILFILLAN: I think so, but the distances from north to south or from east to west are so small that members should get an adequate service from 26 shops. In most parts of the State people have to travel much further to get to the local pharmacy. My objection to the clause is based on the unequal treatment given under the Act.

The Hon. L. R. HART: I should like the Chief Secretary to say whether the metropolitan area referred to in this legislation is the same as that laid down in the Early Closing Act, which I think is the position.

The Hon. M. B. DAWKINS: I am not happy about the increase in the number of shops, but I am more concerned about the principle than anything else. I am concerned not so much about the large and successful establishments but about the large number of chemists who, I have been told, are not making a fortune by any means. Many of these could have their living prejudiced and their assets endangered with the opening of these extra shops.

The Hon. D. H. L. BANFIELD: My remarks during the second reading debate were confined mainly to this clause, and I assure the Hon. Mr. Hart that I did my homework on it. His interjections were not at all helpful, and if he cannot make proper interjections in future I shall be pleased if he does not interject. My speech was not written by any member of the guild or the friendly societies, and the honourable member did not type any part of it. Members of the Opposition have said that this increase in numbers will bring about unfair competition, yet many of them probably have shares in the South Australian Farmers' Co-operative Union or the Eudunda Farmers' Co-operative Ltd., and surely they do not believe that those bodies should be permitted to deal only with members. There is no difference between the co-operatives and the friendly societies except that the latter will be restricted by being able to sell only to members if the present number of shops is increased.

The Hon. Sir Arthur Rymill: Only members of the co-operative can get rebates.

The Hon. D. H. L. BANFIELD: And only members of the friendly societies can get benefits, so there is no difference between the two. The honourable member backs me up, so perhaps he is on our side, although he has not indicated which way he intends to vote. There is no doubt about it—on the figures given by the Chief Secretary there could be a good case for an increase of 100 per cent in the number of shops but the Government has seen fit to restrict the increase to only 10 shops and I consider that in the circumstances there should not be any hesitation on the part of honourable members in agreeing to this clause.

The Hon. F. J. POTTER: I am afraid that what the Chief Secretary has said has not allayed my fears in connection with this clause and I must vote against it. On the Minister's own figures, the situation exists that within what was virtually the old areas of the metropolitan area we have 26 established shops.

The Hon. A. J. Shard: I don't think the metropolitan area is mentioned in the Act.

The Hon. F. J. POTTER: But we know they are in the metropolitan area. We will

ignore the shop at Port Pirie, but the remaining 25 are in the settled part of the metropolitan area, not outside the boundaries of the Early Closing Act, whether that applies to the friendly societies or not. The shops are fairly well distributed, but something has happened since they were set up. In 1963 they obtained a wholesale buying co-operative and we know the situation existing with such organizations as in the case of supermarkets and other institutions. The person who has command of bulk buying has the power of offering goods at competitive prices. That is the situation that has developed since 1963. On the Minister's figures here is a friendly society chain of shops with increasing membership; the figures have gone up in the metropolitan area.

The Hon. A. J. Shard: No, they have gone up in the country where they do not have the shops.

The Hon. F. J. POTTER: Yes, but the Chief Secretary's figures show increasing membership in the metropolitan area. In other words, the same shops in the metropolitan area must be doing increased business. It is not only the question of supply of drugs and medicines dispensed by chemists but also the supply of pharmaceutical lines on doctors' prescriptions. True, only the members of the society (and we agree with that) are eligible, but with ever-increasing membership and a drive for such an increase, and no information from the Minister as to where the extra shops will be located, I think it would be dangerous for this Chamber to give its blessing to the setting up of what is only a chain store system under the guise of being a friendly society. I am in agreement with the Hon. Mr. Gilfillan that here is a non-professional group—and I know that they employ professionals, but basically they are a non-professional group—operating under this Act which ought to cover what is a strictly professional activity.

The Hon. S. C. Bevan: Why don't you watch what is going on on the other side of the fence? Surely unqualified men own chemist shops?

The Hon. F. J. POTTER: Yes, and I do not say that is a good thing at all, but at least those people who own them are individuals. Here we have a substantial co-operative backed by a wholesale organization.

The Hon. S. C. Bevan: Why don't you move for the abolition of all co-operatives?

The Hon. F. J. POTTER: I am not doing that.

The PRESIDENT: Order!

The Hon. F. J. POTTER: Here we have one concern backed by a wholesale druggist buying house; that is the danger I see and that is why I cannot support this clause.

The Hon. Sir LYELL McEWIN: I would ask the Hon. Mr. Potter if he would tell the Committee what he meant when he referred to bulk buying. In this type of shop there are certain stores with a buying organization, and it has been stated to me that a law exists that prevents 400-odd chemists having such a central organization for buying. Perhaps the honourable member could give that information so that it will be on record and it will place the matter properly before us. The other matter mentioned tonight (I think by the Minister) sets out the position where a shop is established by a friendly society for its own members; is it to be understood that they prescribe only for their members?

The Hon. A. J. SHARD: They are not allowed to sell anything to the public.

The Hon. Sir LYELL McEWIN: I thought it applied only to medicine and that they could sell soaps, powder and other things and I want the position clarified.

The Hon. D. H. L. BANFIELD: The Hon. Mr. Potter is still perturbed about the fact that the F.S.M.A. is able to invest in the wholesale druggist business. As I said before, they are not on their own. The guild chemists have a share-holding in the local pharmaceutical wholesalers well in excess of £200,000 on which they have been receiving a yearly dividend of up to 15 per cent and a monthly rebate on purchases of about 5 per cent. That means guild chemists are able to purchase at a 20 per cent discount. Therefore the F.S.M.A. is not in any better position than are the guild chemists. If that is the only matter worrying Mr. Potter, then he need have no fears and we may be assured of his support.

The Hon. F. J. POTTER: The position as I understand it is that guild chemists are buying from the wholesale drug houses but there is a tremendous difficulty with distribution. It should not be overlooked that taxation benefits are available to the F.S.M.A. that are not available to the guild chemists and I dealt with that matter in the second reading debate. That is important. It is not so much the present situation that matters but the friendly societies' wholesale drug business could be so competitive and could get goods at such prices as would make the buying by the guild chemists

completely uneconomic by comparison. These people enjoy the benefits accruing from bulk buying and get additional taxation benefits not available to the guild chemists. All this, taken in conjunction with an increase of 10 pharmacies, has the makings of something we may regret. Consequently, I do not support clause 5.

The Hon. A. J. SHARD: Mr. L. W. Barrow (of the United Friendly Societies' Council of S.A.) advised that it was not or ever had been the intention of the association to set up a large monopoly. The F.S.M.A. might establish more than 26 pharmacies, yet a co-operative was able to trade to the public as well as to its members. Retail traders were not restricted in selling pharmacy lines such as asthma tablets, some patent medicines, etc., but, if the F.S.M.A. were to establish a shop for members, it could not sell similar lines to the public under threat of penalty imposed under the Pharmacy Act.

Mr. Barrow explained that Victoria had originally prohibited friendly society dispensaries from trading freely with the public but since 1947 the Government had lifted all restrictions on trading. The State Government of Queensland had no restrictions on Queensland friendly societies trading with the public. W.A. friendly societies had been granted open trading in all pharmacies opened since 1960.

We talk about fair competition. It is suggested that they increase to 36. If that is not fair competition, I do not know the meaning of the phrase. At the moment we are giving the guild the sole right to go anywhere in the State. The F.S.M.A. is not permitted to go to service its members in the country. Will any one of them, under those conditions, go and open up a shop? The answer is obvious. We hear talk of free enterprise on an equal basis. If that is on an equal basis, I do not know the meaning of the phrase.

The Hon. F. J. POTTER: I have some interesting figures here, which show that in South Australia there were 518,000 prescriptions dispensed by the friendly societies, out of a total of 2,900,000 prescriptions in this State. There are 450 chemists' shops dispensing 2,900,000 and 26 shops dispensing 518,000. In Victoria the friendly societies dispense 614,000 prescriptions out of a total 19,700,000, so it can be seen that the situation is not comparable between the States, and that in South Australia the friendly societies have a tremendous grip on the business of pharmacy compared with Victoria.

The Hon. D. H. L. BANFIELD: The Hon. Mr. Potter seems to be still worried about the unfair taxation position. I agree that the present taxation position is unfair but it is unfair to the friendly societies and not to the guild. The guild pays taxation only on its profits; the friendly societies pay taxation at the same rate as the guild does but on all their turnover, including what they receive from the Commonwealth Government; they pay tax on the sale of every item in their shops. My statement this afternoon was not rebutted. In this aspect the friendly societies are at a disadvantage compared with the guild. Section 121a of the Income Tax Assessment Act states that the friendly societies are taxed at 10 per cent of the aggregate of the following amounts: (*a*) amounts received by the friendly societies dispensaries from the Commonwealth under the National Health Act, 1953, in respect of the supply of pharmaceutical benefits; (*b*) the gross proceeds received by the friendly societies dispensaries from the sale or supply of medicines or other goods sold or supplied in the ordinary course of business, not including the amount received from a friendly society for the supply of benefits to the members of that friendly society. This is notwithstanding the fact that the article that appeared in the *Advertiser* attempted to give the impression that they were, in effect, tax free.

The Hon. C. D. ROWE: There was some argument as to whether, if the F.S.M.A. opened additional shops, they would be able to sell general goods as well as prescribing for their own members. In that connection, I draw the attention of honourable members to section 26*d* (1) of the Act, which was inserted by the 1946 amendment. It appears that even if they exercise the right that they have at the present time and open an additional shop for their members, they will be restricted to selling chemists' lines and it will not be competent for them to deal in photographic equipment, cosmetics and such lines.

The Committee divided on the clause:

Ayes (5).—The Hons. D. H. L. Banfield, S. C. Bevan, A. F. Kneebone, A. J. Shard (teller), and C. R. Story.

Noes (13).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan (teller), L. R. Hart, Sir Norman Jude, H. K. Kemp, Sir Lyell McEwin, C. C. D. Octoman, F. J. Potter, C. D. Rowe, and Sir Arthur Rymill.

Majority of 8 for the Noes.

Clause thus negatived.

New clause 5a—"Saving as to assistants and to apprentices."

The Hon. A. J. SHARD moved to insert the following new clause:

5a. Section 28 of the principal Act is amended by striking out the word "apprentice" therein and inserting in lieu thereof the word "trainee".

New clause inserted.

New clause 5b—"Non-application of section 223 of the Industrial Code, 1920."

The Hon. A. J. SHARD moved to insert the following new clause:

5b. Section 33a of the principal Act is amended by striking out the word "apprentice" therein and inserting in lieu thereof the word "trainee".

New clause inserted.

Clause 6—"Repeal and re-enactment of section 37 of principal Act."

The Hon. A. J. SHARD moved:

In new section 37 (*b*) to strike out "indentures of apprenticeship to" and insert "agreements of traineeship with"; and in new section 37 (*e*) to strike out "apprentices" and insert "trainees", after "chemist" to insert "public hospital, institution and industrial establishment", after "whom" to insert "or where", and to strike out "an apprentice" and insert "a trainee".

Amendments passed; clause as amended passed.

Clause 7 passed.

The Schedule.

The Hon. A. J. SHARD moved: After the last line to insert the following lines:

Fifth Schedule—Strike out "apprentice" and insert "trainee".

Strike out "apprenticeship" and insert "traineeship".

New lines inserted; Schedule as amended passed.

Title passed.

Bill read a third time and passed.

LOTTERY AND GAMING ACT AMENDMENT BILL (DECIMAL CURRENCY).

Adjourned debate on second reading.

(Continued from November 25. Page 3167.)

The Hon. Sir NORMAN JUDE (Southern): This Bill is more or less a machinery measure associated with the forthcoming introduction of decimal currency and its effect on gambling on the racecourse with bookmakers or on the totalizator. Whether the minimum wager should be increased from 2s. 6d. to 5s. because of the decreased value of money is a controversial matter. The Chief Secretary made the strong point that by far the majority of wages were of 2s. 6d. so it seems rather strange that he should then have said that it was desirable for the minimum wager to be 5s. He said that the racing and trotting clubs had been consulted and that they thought it was the best way to go about it. I make my usual objection to this—that it appears that nobody has consulted the person most interested, who in this case is the punter. Very few Governments, Commonwealth or State, seem to do this.

This Bill is remarkable in that it is the first measure to be introduced this session that will cost the Government a few thousand pounds. It is expected by the Government that it may cost it over £1,000 to give these concessions on betting tickets. Concessions given by the Government, however, relate only to this Bill. I draw the attention of the Chief Secretary to his second reading explanation, in which there is either a misprint or a mis-statement of the actual facts; if that is so, I ask that the Minister correct it. He said:

No tax will be payable on a bet of less than 5s. It is proposed to vary this to provide that there shall be no tax on a bet of $1 (10s.) or less and thereafter 5c on a bet of under $3, 10c on a bet of $3 and under $5, and so on.

Fortunately, the Chief Secretary is knowledgeable about races, and I remind him that tax is now paid on the value of a ticket, which includes the stake. I have spoken about this matter on several occasions. The Chief Secretary in his explanation kept referring to "a bet", but the tax is not on bets at the moment. I presume that the tax on $1 wagered at two-to-one will be a tax on $3 (the amount of the stake and the winnings).

The Hon. A. J. Shard: I think the intention is to tax only the stake.

The Hon. Sir NORMAN JUDE: I hope not. I would prefer it to be on the winnings, not on the stake. I do not think the Government intends to tax the stake and not the winnings. I think the Chief Secretary should have said that the tax would be on the value of the ticket.

The Hon. C. R. Story: Are you happy about clause 4? Doesn't this cut out many small punters?

The Hon. Sir NORMAN JUDE: I have already said that whether 2s. 6d. or 5s. should be the minimum bet is a controversial matter and that the agreement that was reached was between the racing and trotting clubs and the Government. I drew attention to the fact that the punters have not been consulted on the

matter. With those remarks and a request that the Chief Secretary consider the point I made, I support the Bill.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Totalizator on the flat."

The Hon. C. R. STORY: I have noted the explanation given by Sir Norman Jude with regard to the matter of 2s. in one case and 2s. 6d. in the other being increased to 50c. Sir Norman Jude stated that this was probably the result of an agreement between the racing and trotting clubs and the Government. I wonder if the people who like to make a modest investment have been given consideration, and whether these amendments will preclude these small punters?

The Hon. A. J. SHARD (Chief Secretary): That point has been considered. In most totalizators, such as the derby and grandstand, the unit is 5s. and provision is made somewhere along the line for bookmakers to be able to accept smaller bets if they desire to do so. That does not apply to the totalizator because I understand the whole system of the totalizator revolves around the units mentioned. The comment made applies only to the people on the flat but, as I have explained, the bookmakers may accept smaller bets if they so desire. This has been the result of agreement reached between racing and trotting clubs and the S.A.J.C. I also appreciate that the small punter needs consideration. The honourable member is perhaps looking after the women who used to share a bet of 2s. 6d. but now they will be able to share a bet of 50c.

Clause passed.

Clauses 5 and 6 passed.

Clause 7—"Tax upon winning bets."

The Hon. A. J. SHARD: The point raised by Sir Norman Jude is correct. Unfortunately, in the second reading explanation the word "bet" was used. The Bill sets it out clearly under clause 7 where the amount of money chargeable is detailed together with the amount of tax thereon. It is clear that the tax is paid on the total value of the winning ticket and not on the stake.

The Hon. Sir NORMAN JUDE: I accept the Minister's explanation.

Clause passed.

Clause 8 and title passed.

Bill read a third time and passed.

LOTTERY AND GAMING ACT AMENDMENT BILL (BETTING CONTROL BOARD).

Adjourned debate on second reading.

(Continued from November 25. Page 3167.)

The Hon. C. D. ROWE (Midland): I oppose this Bill. We have not been given much information as to the reason for it, and all that the Chief Secretary said in his second reading speech was that clause 3 amending section 34 of the principal Act was to provide for the performance of the duties of the Betting Control Board and that the exercise of its powers shall be subject to the control of the Treasurer, and clause 4 inserts a new section 34a providing that:

> In the exercise of the powers, functions, authorities and duties conferred upon the board by or under this Act the board shall be subject to the direction and control of the Treasurer.

No reason was given for the introduction of the Bill, and it was not stated who had asked for the legislation, nor that the powers of the Betting Control Board were not being exercised satisfactorily. Consequently, I think we are entitled to ask for an explanation why the Treasurer wants these powers. The amendment to section 34 of the Act comes under Part IV and that part is headed "Licensing of Bookmakers". I am not able to understand why the Treasurer wants to interest himself in this matter for, as far as I know, the Betting Control Board has always done a satisfactory job in this regard. I imagine it involves a good deal of work inquiring into the financial standing of bookmakers and other aspects, and I should imagine that there were far more important things for the Treasurer to be doing than spending his time inquiring into the licensing of bookmakers.

The Hon. S. C. Bevan: That is part of the board's duties.

The Hon. C. D. ROWE: Then why not leave it the responsibility of the board?

The Hon. S. C. Bevan: We are.

The Hon. C. D. ROWE: I would like the Minister to explain the reason for this legislation and, if he considers that the board has not been carrying out its duties satisfactorily, Parliament should be informed accordingly. I have received no complaint on this matter. I am not making any suggestion that the Treasurer in the exercise of his functions would act in anything but a proper manner (and I have never made such a suggestion with regard to any Minister of this Government), assuming

that this Bill becomes law. However, he is putting himself in an invidious position by taking on these functions and powers, because the office of the bookmaker is profitable and worthwhile having.

The Hon. A. J. Shard: Some go broke.

The Hon. C. D. ROWE: Yes; and that happens in other occupations, too. It is unfortunate that the Treasurer should put himself in a position where he is actively associated with the licensing of a bookmaker because, if one does get himself into trouble, there will be questions whether he was properly licensed or not, and that may reflect unfairly on the Treasurer.

The Hon. A. J. Shard: I will give it to the honourable member in reply.

The Hon. C. D. ROWE: I do not know how far this principle is to extend. If he wants power to make the board subject to his direction and control, we are entitled to ask ourselves, "Are we to have a Bill to provide that the operations of the Land Agents Board shall be subject to the direction and control of the Treasurer?" I cannot see the difference. If the Treasurer wants to have the Betting Control Board under his direction and control, then why not have the operations of the Land Agents Board under his direction and control? They are both performing functions in the community.

With regard to the licensing of land agents, the board consists of people with some knowledge who can assess the abilities of the applicants to perform their duties. They have a specialized knowledge and can work independently, uninfluenced by anything else; and that is how it should be. That should apply also to the Betting Control Board. That applies not only to land agents but also to the licensing of hairdressers.

The Hon. A. F. Kneebone: Do they fleece you, too?

The Hon. C. D. ROWE: They fleece some of us more than others. For instance, if we say that the hairdresser fleeces the Chief Secretary, I do not know what we mean. It may be that in due course we shall have a Bill to provide that the Treasurer is to be the licensing authority for electricians. So at present we are dealing with trifles, and at this stage of the session, when the Government has important legislation still to be dealt with, we could be spending our time much more profitably than in dealing with these trifles. Apparently, however, the Government is not anxious to get its so-called important legislation through if it can afford to spend time, at this late hour of the session, on this Bill. It would not matter if it never passed through Parliament. It would not matter if it did not pass for another 12 months—or, indeed, if it did not come in until next session. The licensing of these people should be left to an independent board whose integrity was beyond doubt or question.

The Hon. S. C. Bevan: What if the board has something to do with this?

The Hon. C. D. ROWE: If the board has something to do with this, we are entitled to be told; but no reason has been given. I do not get information that I can use for my purposes, so I have to arrange for other members to ask questions for me, because there appears to be a differentiation here. Whatever may be the situation in relation to other innocuous and helpful questions I have asked, I should like to know what the reason is. In the absence of any explanation, I oppose the Bill.

The Hon. L. R. HART (Midland): It is refreshing to have a Bill before this Chamber with no amendments on the file. It can be assumed that some consideration was given to the Bill prior to its introduction into this Council. However, there is something lacking, as no reason has been given for its introduction, or just a brief one. Further, the reason given in the second reading explanation does not correspond with that given in the second reading explanation in another place, notwithstanding the fact that the Bill has not been altered. Therefore, the second reading explanation should have been identical in both places. The Chief Secretary intimated by way of interjection when the Hon. Mr. Rowe was speaking that he had the reasons for the introduction of this Bill and he appeared anxious to give them. However, if these reasons had been given in the first place there would not be so much need for the delays in debating these matters. If these delays did not occur, this Chamber would not be branded perhaps as being an obstructionist Chamber. I point out that it is the duty of this Council to examine closely all legislation brought before it, as we have a responsibility to the people to make sure that legislation is necessary and that it is for the benefit of the State and its people.

I want to examine the sections of the Lottery and Gaming Act under which the Betting Control Board operates. One is at a loss to see any logical reason why this board should

be brought under Ministerial control and direction, and in particular under the control and direction of the Treasurer. If it is necessary to have Ministerial control and direction, surely the Minister should be the Chief Secretary? I have always thought that the Lottery and Gaming Act comes within the province of the Chief Secretary and I see no reason why the Treasurer should be charged with the responsibility of controlling and directing the board. From a glance at the provisions of the Act, it is clear that they should be implemented by a body of men specially selected for the job, being not subjected to political pressures. As the Hon. Mr. Rowe has stated, with the Minister in control, pressures will no doubt be brought to bear. I turn now to section 34 of the Act (which clause 3 seeks to amend), and which states:

(2) The board is charged in the performance of its duties and exercise of its powers hereunder with the duty of controlling betting in such a manner as is reasonably consistent with the welfare of the public generally and the interests of persons and bodies liable to be affected thereby. In pursuance of this duty, the board shall so restrict the number of premises registered under this Part, and shall so regulate and control such premises, as to provide only such facilities for betting as are reasonably necessary in the public interest.

If we look at the functions of the board, we find that they are many and varied. Section 37 (1) sets them out in some detail. Honourable members should have some knowledge of them so that they can appreciate the dangers of having the board not only under Ministerial control but (even more dangerous) under Ministerial direction; so I shall proceed to inform the Council of the functions of the board under the provisions of the Act that this Bill seeks to amend. Section 37 (1) states:

The board may make rules as to all or any of the following matters:

(*a*) the licensing of bookmakers, bookmakers' clerks, and bookmakers' agents and the number and classes of licences to be issued;
(*b*) the terms and conditions upon which licences may be obtained, and which are to be observed by the holders of licences;
(*c*) the conduct of bookmakers and their clerks and agents;
(*d*) the regulation and control of betting by and with bookmakers;

I am reading these provisions to emphasize that there is a danger in the control of these matters being under a Minister. The section continues:

(*e*) requiring licensed bookmakers to give security for the due observance of this Part and the rules, and of terms and conditions of their licences;
(*f*) the registration of premises upon which licensed bookmakers may bet and the terms and conditions of registration and the duration, suspension, and cancellation thereof;
(*g*) the suspension and cancellation of licences;
(*h*) requiring bookmakers to keep accounts and records and to make the same available for the board's inspection from time to time and furnish to the board weekly, annual or other returns of their transactions, and prescribing the form of and all matters relevant to such accounts, records, and returns;
(*i*) prohibiting or restricting advertising by bookmakers;
(*j*) the general administration of this part;
(*k*) imposing fines recoverable summarily for breach of any rule;
(*l*) the issue. renewal and transfer of bookmakers' licences;

Paragraph (*l*) is rather an important paragraph, as we are setting out to put this under Ministerial control and direction. The section continues:

(*m*) appeals to the board under this Act and the procedure thereon;
(*n*) prescribing fees with regard to any of the matters mentioned in the fifth schedule to be paid to the board on any application for any licence, registration, or authority of any kind, or for the issue, transfer, or renewal of any licence, registration, or authority of any kind granted or given by the board, or in respect of any other matter: provided that no such fees relating to any of the matters mentioned in the fifth schedule shall exceed the fees set out in the said schedule with respect to the said matters.

So we see clearly that by placing these matters under Ministerial control there is this danger of pressures being applied to the Minister in charge. Although I do not like the Bill (I should prefer to see it rejected) if it is to be under the control of any Minister, it should be under the control of the Chief Secretary, because the Commissioner of Police is the person charged with the administration of this Act. The Council should seriously consider this. The Bill, although short, is important, and I ask the Council to give it due consideration to facilitate its passage through this Chamber. I support the second reading.

The Hon. A. J. SHARD (Chief Secretary): When I read the second reading explanation, I said that it should have been identical with the one in another place. It has been said that

no reason was given why it should be introduced. I will try to inform the Council as briefly as I can about this. The position over the years has been that the Betting Control Board has been under the Treasury, because of the financial implications. The Chairman of the Betting Control Board has been Mr. Cleland. Some rules and regulations have been made recently. Over the years he has found that the board has not been able to get the ear of the Minister to test Government feeling. The Chairman of the Betting Control Board had some discussions with the Premier about betting in view of the forthcoming changeover to decimal currency. He asked him whether he thought it was in the interests of everybody that the Chairman or the board should have the right to be able to talk to a Minister so that possibly before making regulations they could get the feeling of the Government of the day about these things. I think it is a move in the right direction that the board should have the ear of the Minister and discuss these problems with him and then ascertain his reactions. This legislation has been under the Treasury since its inception. Cabinet felt that the proper Minister was the Treasurer. The verbiage "under the control and direction of" may not sound too good to some people.

The Hon. Sir Norman Jude: You said it was under the Treasurer, but that was just in connection with fees, wasn't it?

The Hon. A. J. SHARD: The matter of finance is dealt with by the Treasury, and the board has been under the Treasurer. I do not want to debate the merits of whether that is right or wrong, but the fact is that it has been under the Treasury since its inception, and that is considered an advantage to everybody.

The Hon. R. C. DeGaris: Aren't there other boards outside the control of the Minister that make regulations?

The Hon. A. J. SHARD: Not under the Lottery and Gaming Act. If there are boards not under the control of a Minister that make regulations they ought to be under the control of a Minister.

The Hon. R. C. DeGaris: As an example, the Nurses Registration Board.

The Hon. A. J. SHARD: Yes. Sometimes that board does not wait: they put the regulations into effect. I do not think boards should do things unless Cabinet knows what they are doing. I hope honourable members will agree with me and support the Bill.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Betting Control Board."

The Hon. L. R. HART: I move:

To strike out "and in accordance with the directions of" and insert "having discussions with" and to strike out "Treasurer" and insert "Chief Secretary".

I am not entirely happy with clause 3 as it stands. I consider that the Betting Control Board should not be subjected to Ministerial control and direction. The purpose of this Bill is to give the Treasurer power to direct the board, which the Minister has said has always been under the control of the Treasurer. However, I cannot find anything in the Act to show that that is so. The board might have had access to the Treasurer and might have conferred with him, but it was not under his control. Therefore, why is there need to bring it under his control at the present time? The fact that the board has had discussions with the Treasurer in the past is not a sound reason for bringing it under his control.

The Hon. A. J. SHARD: I hope that the Council does not accept the amendment. Let us be frank about it. The board has been under the control of the Treasurer since its inception.

The Hon. L. R. Hart: How do you mean "control"?

The Hon. A. J. SHARD: The Betting Control Board has been under the control of the Treasurer ever since its inception. Is that clear, or shall I get a hammer? Regarding the verbiage complained of by the Hon. Mr. Hart, we see the words "subject to the Minister" or "under the control of the Minister" in many Acts. If the board wants to approach the Treasurer to get the views of the Government of the day on a by-law, it will have a discussion before the by-law is made. I ask the Committee to reject the amendment.

The Hon. Sir NORMAN JUDE: I had somewhat mixed views about this Bill, but the Hon. Mr. Hart has given me cause for further thought. It seems to me that if we are to tidy this matter up the way the Government wants that done and if we are to support the Bill, we ought to do it in the best possible fashion. As the Lottery and Gaming Act is under the control of the Chief Secretary, he ought to have control of the Betting Control Board also, in the same way as the Minister of Local Government should have control of the Town Planning Act, as I have suggested previously.

I agree with placing these boards under appropriate control. I have had one or two worries about some of the actions of the board and have made some modest and, I hope, moderate complaints. I sympathize with the Treasurer, because I take it he is going to decide when the betting shops at Port Pirie will be closed if we have T.A.B. That will not be an easy decision; it may be better to leave it to the board. However, there is nothing against having a change in these matters. I am not disputing that the board has been under the Treasury previously, or indirectly responsible to the Treasury on the financial side but, if honourable members desire to have it under the control of the Minister who administers the Lottery and Gaming Act, members ought to indicate that they favour that idea.

The Hon. M. B. DAWKINS: I support the amendment. I have some sympathy with the Chief Secretary, because I realize that this is somewhat embarrassing to him. To that extent, I apologize for bringing in what may be a personal note. I agree with Sir Norman Jude that we should not regard personalities in this matter but should do the correct and logical thing. As I think the Lottery and Gaming Act should be controlled by the Chief Secretary's Department, I support the amendment.

The Hon. Sir LYELL McEWIN: Previouusly this legislation has been under the control of the Treasurer. It is the policy of the present Government that the Treasurer shall have power to direct and control the board. I have asked the Draftsman the meaning of "direction" and have been advised that it means just what it says—that the Minister may give directions to the board. I have objected to this type of thing previously this session. I do not know whether this provision will overcome the problems that exist, but if the Treasurer and the Betting Control Board desire this, if it will not take any authority away from the Chief Secretary, and if the Treasurer wants to burn his fingers in this matter, I do not intend to do anything to prevent it.

Amendments negatived; clause passed.

Clause 4—"Ministerial control."

The Hon. L. R. HART: I move:

In new section 34a. to strike out "direction and control" and insert "advice".

This new section sets out to place the board under direction and control of the Treasurer, whereas the previous clause provided only for the Treasurer to give directions.

Amendment negatived.

The Hon. C. D. ROWE: I oppose this clause, which I think is a wrong move. I merely wish to record my view on the matter.

Clause passed.

Title passed.

Bill read a third time and passed.

SUCCESSION DUTIES ACT AMENDMENT BILL (RATES).

Adjourned debate on second reading.

(Continued from November 24. Page 3108.)

The Hon. C. D. ROWE (Midland): This Bill I cannot regard as trifling. It is important and has far-reaching effects for the people of South Australia. It will have serious repercussions on all sections of the community. The reason for its introduction is, apparently, to implement the election promises of the Government. I am at a loss to understand why the Government needs the additional revenue that this Bill will provide, because, since this Parliament began sitting on May 13, many measures have been introduced to bring in moneys to the Government, and none of these was mentioned in the Government's policy speech. No indication was given that there was to be a wholesale increase in the various charges imposed upon the people. I tried to get from the Government information about these charges but, unfortunately, that information is not yet forthcoming. Consequently, I have had to do what the Chief Secretary kindly asked me to do—my own homework. I have done that, and it appears to me that so far we have had certain increased charges imposed upon us. I will mention them as this is relevant to the subject matter of this Bill, it being a taxation Bill. If the Government has got revenue from other sources, it is difficult to understand why it needs so much from this Bill.

So far, the increased charges that the Government has imposed on the public (and these figures are for a full financial year, not for part of it) are: water rates, £1,000,000; Harbors Board dues, £450,000; succession duties, £750,000; land tax, about £1,000,000. The Road and Railway Transport Act is to bring in about £1,200,000 a year; stamp duties taxation, about £400,000; pistol licences, £5,000; taxes under the Companies Act, £10,000; and Tramways Trust fares, about £10,000 a year. That means that already on the Statute Book this year we have given the Government powers to collect slightly more than an additional £5,000,000

a year, none of which was mentioned in the policy speech.

That works out at about £836,000 a month additional taxation since this Parliament has been sitting; or £210,000 a week; or £42,000 a day for a five-day week; or, reducing it still further, about £1,000 a day for each electoral district. All this additional taxation has been imposed on the people when never a word of it was mentioned in the Government's policy speech. I imagine that, if it had gone to the people and said, "Within six months of our being in office, we shall load you with an additional £5,000,000 in taxation", the election result would have been different. Because of that, we are entitled to look at this legislation and, if we decide that it is not in the interest of the community or of the development of the State, this Council is entitled to reject it.

I was able to get a copy of the speech of the then Leader of the Opposition (Mr Walsh) and I note that during the course of it he had something to say about succession duties and finance generally. This is what he said:

So soon as I mention anything concerning finance, I am always asked, "where will you get the money?"

Then he went on to say:

Ours is not a policy for extravagance; it is one for accuracy in budgeting.

We are apparently having a fair chance of understanding what the Premier meant when he talked about accuracy in budgeting. He then talked about the amalgamation of the State Bank and the Savings Bank, apparently on the basis of information he got from economic experts available to the Government, and he stated that, when he got those two banks amalgamated, allowing for the normal development of the State and deducting the increased expenditure that would occur, there would be available about £51,000,000 over a period of three years to meet the programme of social welfare, and so on.

This meant that the Government would have available, according to its accurate budgeting, £17,000,000 a year. Therefore, if its accurate budgeting works out, it will have £5,000,000 a year, which unfortunately is provided for on the Statute Book and which we all have to pay at the rate of £1,000 a district a day, in addition to the £17,000,000, so I do not know what the Government proposes to do with all the money. Unless their accurate budgeting does not work out, or the economic theories put to the electors do not work out, the Government is going to have a tremendous surplus.

It appears that the Government is playing fast and loose with the public in regard to financial management. It said three things about succession duties in the Budget speech, although it did not mention these other matters at all. It said:

Our policy on succession duties provides for (*a*) an exemption of £6,000 in the estates inherited by widows and children, (*b*) it provides that a primary producer shall be able to inherit a living area without the payment of any succession duties, and (*c*) it provides for a much larger rate of tax to be imposed on the very large estates.

I propose to examine those three statements by the Government in relation to the Bill before the Council. Although I am not permitted to refer to debates in another place, I think I can say that, as a result of amendments introduced there, a great improvement has been made to the Bill and it has been brought more into line with the promise made at the elections. However, even as it comes to us, it does not do what the Government has said in its policy speech that it will do, because it does not in all cases reduce the amount of duty that a widow will pay and does not provide for an exemption up to £6,000. We find that it provides for an exemption for a widow up to £6,000 in certain circumstances, but the exemption it provides for children up to that figure is only in respect of children under 21 years of age. A person is still a child of the deceased, whether he is under 21 years, or over.

The Hon. D. H. L. Banfield: Is he a child or a grown person at 21?

The Hon. C. D. ROWE: He is still a child of the deceased. As everybody knows, in most instances people do not receive a benefit under a will until they are over 21 years of age. Even so, the Bill goes further and abolishes Form U and the right previously given in respect of property owned in joint tenancy, except in respect of one particular house property. The effect of that is to increase vastly the amount of duty payable. Also, it does not provide that an insurance policy inherited by a widow or child is to be treated separately from the rest of the estate.

Fortunately, people in South Australia are conservatively minded and owners of many small and large estates use insurance policies as a means of compulsory saving. I have known many people to struggle in adverse times to keep up premiums on insurance policies, because they realize that they are a means of compulsory saving, even though they may have cut down on normal expenditure.

In many cases husbands take out insurance policies and name themselves and their wives as beneficiaries. Sometimes the wives maintain the payment of premiums, and the policies belong to them. In other cases, the husbands assist and pay the premiums. As the law stands at present, such insurance policies are treated separately from the rest of the estates and the money can be made available within a relatively short time after the death of the husband.

In that way, the money is there to meet the particular circumstances for which it was provided, namely, to ensure that the widow or children, as the case may be, are not in need of finance immediately following the death of the husband, or after. However, the effect of the aggregation of these policies is that they all come into one lump sum so far as succession duty is concerned and in many instances that will delay payment of the money to the wife or children. At present, there are three general ways in which a husband may benefit his wife. He may realize that his health is failing. Most of us have some notice that our health is not as good as it has been and, realizing on medical advice that the future is limited, we take the prudent course and transfer certain money into the bank accounts of our wives, whether it be £500, £1,000 or £2,000, according to our circumstances. That money is then in a wife's account, available for her to use in an emergency, to pay hospital or doctors' accounts and to make herself comfortable. That is part of our way of life at present.

In addition, many people own their house properties on a joint tenancy basis between husband and wife. They also may have a farm property held the same way. In fact, that is done frequently. It simplifies matters when the unfortunate event of death occurs, as it must occur to all of us. The money that is part of the husband's estate remains in his name at the date of his death and is disposed of in terms of his will. At present, a gift made to the wife within 12 months of the death of the husband is treated as a separate matter entirely and is assessed as such, as it ought to be. The succession under Form U, which relates to joint tenancy in a house or farm property, and the insurance policies taken out by the husband in which he and his wife are nominated as beneficiaries and the policies on which he has paid the premiums to benefit his wife are treated as a separate succession, as they should be.

All that is to go overboard, except in respect of the joint tenancy of one house property. In future, if a man has given £2,000 to his wife before his death and if he leaves certain gifts to her by way of insurance policies, apart from the house property, and if he leaves certain money under his will, they will all be lumped together and succession duty will be paid at the increased rate. This proposal to aggregate cuts across the arrangements that people have made over many years. It interferes with the ordering of their affairs and upsets the management that they have brought to the conduct of their affairs. It is something that this Council ought not to countenance. More particularly, no mention was made of this in the policy speech of the present Government before the last election. All that was said was that there would be increases in respect of the very large estates. However, the increase brought about by the aggregation provisions occurs not so much in relation to large estates as it does in relation to smaller estates, because unfortunately in the case of the larger estates people realize that they have a problem facing them in regard to succession duties, they obtain competent advice, and they arrange their affairs (as they are entitled to do) in a way to minimize succession duties. However, in the middle ranges and with the smaller estates, unfortunately people are not so skilled, and until now they have not troubled; they have acted on the advice of a solicitor or an insurance agent that the situation will remain as it is. Aggregating the lot is, I think, unfair.

I said that, although the policy of the Government was stated to be that widows and children would be exempted up to £6,000, the exemption applies only to children up to 21. Once they pass 21, the succession is reduced to £3,000, and the rate of duty payable is increased from 12½ per cent to 15 per cent on successions of between £3,000 and £10,000. That will work a particular hardship to a daughter who looks after her elderly father or mother. One person for whom I have much sympathy is the dutiful daughter who remains at home, does not marry, and spends the best years of her life tending an aged mother or father. With all the good will in the world, that is sometimes a difficult job that does not get the thanks it deserves. In these cases we should give some consideration. This Bill does not give these cases any consideration; rather, it imposes a higher duty than at present. According to the figures I have worked out, if a mother and daughter held as a joint tenancy a property worth £9,000 and there was £2,000 in cash to

go to the daughter, the duty at present would be £312 and under this Bill would be £525. If the house property were valued at £9,000 and the daughter had a half interest as a joint tenant (£4,500), and if she received £4,500 as a cash gift under the will of her mother or father, instead of paying £624 as at present she would pay £900 under the Bill. That is not providing an exemption of £6,000 to widows or children, as was foreshadowed in the policy speech.

I bring these instances to the notice of the Government because it has been my experience in handling estates in this category that the worst injustices have occurred to daughters who have spent the best years of their lives looking after parents, have forgone the right to acquire the means to earn a living, and have suddenly found themselves liable on the death of the parents to succession duties. This is most unfair. I think I have said enough to indicate firmly and definitely that the promise that widows and children would receive an exemption of up to £6,000 is not carried out by this Bill. Another thing mentioned by the Government in its policy speech was that it would exempt land that was necessary to provide a living area. I think the exact words used were:

A primary producer will be able to inherit a living area without the payment of any succession duties.

Before dealing with this matter in detail, I point out that there is an exemption under this Bill of £5,000, but that exemption does not apply to primary-producing land if it is held by the deceased as a member of a partnership; it does not apply if it is held by him as a joint tenant; it does not apply if it is held by him as a tenant in common; and it does not apply if it is held by him by way of a share in a company. Therefore, many holdings of primary-producing land will be excluded from this exemption of £5,000 in any event. The Bill sets the figure at £5,000. On top of this, the widow will be entitled to the £6,000 exemption, so she can inherit a primary-producing property up to the value of £11,000 without paying any duty. I should like to know where it is possible in South Australia to buy a primary-producing property of any kind (an orchard, a dairy farm, a wheat, barley or mixed property, or a pastoral property) at this figure. I am unable to think of any area in the State where a property that will provide a living area can be bought for £11,000 (or £5,000 except for the exemption). I do not think this Bill goes anywhere near meeting the promise made by the Government that a person would be allowed to inherit a living area without paying any succession duties.

The Hon. C. R. Story: I wonder what the Government thinks a living area is.

The Hon. C. D. ROWE: I asked on one occasion what the Government thought a living area would be.

The Hon. D. H. L. Banfield: You also asked the Government to do your homework.

The Hon. C. D. ROWE: I hope I have demonstrated that I have done my homework. I cannot talk about dairy farmers in detail, but last night I heard a broadcast by a person who was competent to know about them, and he said he thought that at least half of the dairy farmers in this State were earning less than £1,000 a year. I assume that the average value of a dairy farm would be about £20,000 (or smaller or greater, as the case may be). These farmers have not got the exemption.

The Hon. D. H. L. Banfield: Are many dairy farms advertised for sale?

The Hon. C. D. ROWE: Yes, many are, but the sales are being held up pending the passing of this Bill and its effect on values. I will deal now with something that I know something about—wheat and barley land. In most parts of the State it is impossible to buy a farm that will provide a living area for less than about £40,000. I think one would find it difficult on Eyre Peninsula or Yorke Peninsula, or in some parts of the Murray Mallee, to buy a farm that will provide a living area at a lower figure. Apart from this sum, at least £5,000 would have to be spent on plant to work the property and another £5,000 on stock. Because such big sums are involved, some may think that the farmers are wealthy men, but that is not so; this expenditure is on the capital required to go into this industry. Assuming that £40,000 is a reasonable value (I do not think it is excessive; in many instances it may be conservative), the duty payable (taking into account State succession duty and Commonwealth estate duty) would be slightly more than £10,000.

The Hon. R. C. DeGaris: Does that include stock and plant?

The Hon. C. D. ROWE: No, duty on the land only. If a person succeeds to a property worth £40,000 and has to pay about £10,000 in duties, that is a big burden. I know of instances where properties have been in the family for many years and death has occurred

unexpectedly, and the people concerned have not had the time or money to make adequate provision by insurance to pay duties. I have known of other instances where properties have had to be placed on the market by the children because they have not had the money to pay the duty and have therefore not been able to carry on in the industry in which they have been trained. Therefore, if it is the honest intention of the Government to exempt primary-producing properties up to a living area, then this Bill does not commence to do anything approaching that. I think that it should be looked at from a different angle, because £5,000 is an unrealistic figure. I do not know who advised the Government on that figure; whether it was the member for Glenelg, who is supposed to be an economist, or perhaps it was the Minister of Agriculture (Mr. Bywaters), who is supposed to know all about these things. But if their ideas are that £5,000 represents a living area, then such ideas are completely different from my own and it needs adjusting to the different types of property that make up a living area.

The amount must include the capital investment involved on, say, a fruit block, a dairy farm, a wheat and barley farm or a grazing property, which are all run on different lines and different considerations must be given to each class of property. Therefore, as far as two matters mentioned in the speech of the Leader of the Opposition are concerned, the question of exempting wives and children up to £6,000 and the question of exempting a living area, this Bill does neither of these things and consequently it cannot be said that the Government had a mandate from the people to do what this Bill does.

With regard to the third clause, the increasing of duties as far as larger estates are concerned, let me say that I wholeheartedly agree with the Government that this Bill steeply increases the duties on the larger estates. Whether that is a good thing or not is a matter of policy. I do not criticize the Government for this because that is its policy, and the Government believes that that is a good thing. Personally, I do not. I think when incentive is taken away, and when it is said to a person who has been battling all his life to build up an estate that the Government will take a percentage when he is gone, that is the sort of philosophy that will lead to decadence and cramp initiative and it is the kind of thing we cannot afford in this State. Our emphasis should be to encourage greater expansion, development and progress. I do not go along with Government policy on that matter. What it is doing with regard to the larger estates is what it said it would do, but I do not agree with it.

I want to deal with one or two clauses of the Bill because I think there are certain clauses that need examining in some detail. The first is clause 7 and it amends section 7 of the existing Act to provide that duties shall be assessed upon the aggregate amount of the net present value of all property derived, or deemed to be derived, from the deceased person. That alters the whole basis of the Act, and I have spoken of that and I will not go into it again except to say that at the present time different dispositions are treated separately: for example, (*a*) gifts made within 12 months of death; (*b*) property passing to the beneficiary under a joint-tenancy or under a policy of assurance in respect of which the deceased paid a portion or a whole of the premiums; and (*c*) property passing under the will or the intestacy of the deceased. That is the clause that wipes out the previous arrangement and brings in this new arrangement. I am inclined to think that the whole of the provision with regard to the aggregation should be defeated by this Council. If that is not defeated, I consider that we should follow the policy followed on each previous occasion and provide for the aggregation of gifts, settlements and joint tenancies and to apply only to those gifts and settlements and joint tenancies made after the operation of this 1965 Bill.

If we look at section 8 of the principal Act and also section 9, it will be found that those sections provide for increased duties, but they did not apply to arrangements made before October 26, 1893—that is, subsections (*g*) (*h*) and (*i*) of section 8 of the Act. Similarly, we find that subsections (*j*), (*k*), (*n*) and (*o*) of that section did not come into effect until November 27, 1919, which I presume was the date on which the amendments were made. Therefore, I think that if these aggregation provisions are to be brought into effect they should apply only in respect of joint tenancies, gifts and so on made after the passing of this Bill. In connection with this aggregation a difficulty occurs with regard to payment of insurance moneys. I had mentioned earlier that at the present time it is possible to obtain fairly quick payment of such insurance money. That is desirable, and is the basis on which people have arranged their affairs. That will be more difficult now, because payments will be held up until all matters relating to the estate are

finalized. I realize the difficulty regarding payment of the insurance—

The Hon. S. C. Bevan: The Bill provides that 80 per cent of the policy shall be paid immediately.

The Hon. C. D. ROWE: I was going to mention that matter. I freely admit to the Minister that the amendment inserted in another place, which was not in the Bill when introduced to that other place, provides for fairly quick payment of 75 per cent of the policy, not 80 per cent.

The Hon. S. C. Bevan: That is in respect of certain policies.

The Hon. C. D. ROWE: Yes, but even so the position still is that after the widow gets that 75 per cent she must be prepared to meet what may be a succession duties bill in respect of that 75 per cent when it arrives and the estate is finalized. Therefore, she does not know any more than that it is a payment on account, nor what the final liability is likely to be. I think possibly that the provision with regard to the payment of 75 per cent should apply not only to insurance moneys but to other property of the deceased held on joint account. There may be a fixed deposit account at a bank in joint names, and I think provision should be made that that should be released to the extent of 75 per cent because the widow may need that finance to carry on. Those are matters which should be examined.

The Hon. S. C. Bevan: It would only be 50 per cent of the joint account.

The Hon. C. D. ROWE: Yes. Nevertheless, I think we should look at it and try to treat it in the same way as insurance policies. I want to deal in particular with insurance policies, because my experience is that many people make an attempt to build up an estate, and it is usually done by effecting insurance. Numerous people make a real effort even in times of depression, and at all other times, to keep up their insurance payments because they believe it will be a reserve when the unfortunate day arrives. Under the Bill this now forms part of the estate where the policy was effected by the deceased for the benefit of the donee named in the policy or proportionately where the provisions were partly paid by the deceased.

I think probably we should provide that where a policy is assigned by the deceased to his widow or to his child more than 12 months before death—that is to say, he has divested himself of a total interest in the policy more than 12 months before his death—it should not form part of his estate at all. That applies to dispositions that occur under paragraphs (*n*) and (*o*) of section 8. I do not see why that should not be the position with insurance policies. There are other provisions relating to this in the Victorian Act that limit the amount of these policies that can be brought into an estate upon death. This should be treated as we are treating other dispositions. Where a person disposes of all his interest in a policy by assigning it more than 12 months before his death, it should be entirely excluded from his estate; but, if he has not divested himself by assigning before death, the Victorian Act should be looked at and we should ensure that the amount that the deceased person can have brought into his estate be limited *pro rata* to the amount of the premiums he has paid over a certain specified period. Since 12 months is the period set out in the Act, that should be the period.

This Bill will need careful consideration and attention when we come to deal with it in Committee. Then, I shall have to mention other matters in more detail. I understand that the purpose of a second reading speech is to deal with the general principles of a Bill. The details of the effects of all these clauses will have to be examined closely in Committee. I do not profess to have dealt with the ramifications to all the clauses in detail or particularly accurately, in some respects.

The Hon. A. J. Shard: You mean "in full detail"?

The Hon. C. D. ROWE: In full detail; I am getting some help from the Chief Secretary now, which I appreciate. This is a complicated Bill that will affect everybody in the community, because everybody will die at some time or other. Therefore, it needs careful consideration and I am not prepared to support it until I have had an opportunity to do considerably more homework on it than I have done so far. It will affect not only the big but also the small man. It cuts across arrangements made by people over many years. It alters the whole principle of successions by aggregating them together. Therefore, I regret that the Government has seen fit to bring this Bill into this Council at this point of time, when we have only two more sitting days before we adjourn the session until next year. That means that, when we reassemble, we shall have to refresh our memories on this, which will not be easy. It is a type of legislation that we have not seen in this Chamber for

many years. It is drawing widespread criticism from all ranks and sections of the community, if I am any judge of the situation.

The Hon. S. C. Bevan: The Act was amended in 1963.

The Hon. C. D. ROWE: Yes, but the effect of those amendments was not to increase but to decrease succession duties. This is a matter that demands close and careful attention. I have given it that to the best of my ability. I have consulted people who can advise me on this matter but I am not satisfied that I understand all its ramifications, and it is a measure that demands that I do understand what I am doing. All honourable members should consider it carefully, because it does not do what the Government said it would do in its policy speech.

The Hon. JESSIE COOPER (Central No. 2): I, too, oppose the Bill. So far, it has been presented to the State in what I consider to be a dishonest fashion. Speeches have been made about it, allegedly explaining it but almost solely emphasizing certain exemptions. They have glossed over or have not in any way referred to clauses in the Bill that have viciously increased the tax upon the people of South Australia. This is a Bill to make most people in the State pay much more in succession duties, and it is a Bill which, in its presentation, has been camouflaged with the pretence that it is giving some new exemptions to the many, which is not true.

The Bill, moreover, contravenes the first principle of good legislation and good government: in its retrospective action it would break faith between the Government of the State and the people. A taxing Bill should have no retrospective provision. To tax people today for things they did in the past, legally and under the law of the day (under a different tax) is, as I said before, breaking faith. It is deceitful and is a disgraceful use of legislative power. I oppose the Bill strongly because it involves a fundamental change in the law relating to succession duties, a change that cannot be justified. Property which, under the present law, which has been in operation for many years, is classed separately and assessed separately would now, under this Bill, be aggregated. The present law has always levied tax separately on the amount of the individual benefits taken by each beneficiary: in short, it is a succession duty. The complete change in law involved would add back artificially into a person's estate things that had never belonged to it.

At present, when a man dies, his property is assessed as (1) his solely owned estate (that is, property subject to the deceased's will); (2) an increase in benefits arising out of survivorship by one joint tenant; and (3) property passing under a settlement. When, as is proposed, these are aggregated, individual class exemptions are lost, and so higher rates will apply because of the aggregation of classes of assets. In other words, the present Act taxes quite separately, and without reference to the estate passing under the will or intestacy, a number of transactions that cause an increase in benefits to beneficiaries as the result of the death of the deceased, namely (*a*) survivorship under a joint tenancy; (*b*) gifts made within 12 months of death; and (*c*) settlements. Each one is levied separately and existing exemptions apply in each case: for example, a widow or a child under 21 can receive up to £4,500 without duty; and a widower, or descendant or ancestor, up to £2,000 without duty. But now, as Mr. Rowe has so ably demonstrated, under this proposed legislation the position is quite different. The widow may be exempt up to £6,000, but what does this mean? With aggregation, she will come under a higher rate of tax.

I will take an example under the present law and compare it with the situation under the new proposals. A man could leave £4,400 to his wife by his will. He could own with his wife, as joint tenant, a house worth £8,800. He could keep up a life policy for his wife, producing £4,400 at his death. He could make gifts of £4,400 to his wife and, say, three young children. Under the present law, his wife and children would be free of duty, but under this new Bill, this would all be totalled and his wife would be shown as receiving £17,600 and each child £4,400. The widow, far from being exempt, as she is today, would be paying £1,930. So, where is the advantage of raising the exemption rate in the case of widows from £4,500 to £6,000, when they are penalized by another clause?

We regularly hear about the mandate received by the present Government from the people of South Australia, but I can assure honourable members that there is no mandate for legislation such as this. On February 19, 1965, when the policy speech was given, the following statement was made:

Our policy on succession duties provides an exemption of £6,000 for the estates inherited by widows and children. It also provides that a primary producer will be able to inherit a

living area without the payment of any succession duties, but a much greater rate of tax will be imposed on the very large estates. Whatever this legislation is designed to do, it is not that. It does not provide an exemption of £6,000 for the usual estates inherited by widows and children and it certainly does not provide, as has been proved clearly this afternoon, that a primary producer will be able to inherit a living area without the payment of any succession duties, because whatever a living area may be, it would be hard to define any sphere of primary production where an asset of £5,000 would represent a living.

It does provide that a much greater tax will be levied on most estates, as well as on the large estates. Various remarks have been made about rich people and about loopholes. I wish to quote what the Premier said on television on the night of November 16, when he stated that the succession duties legislation was aimed at removing the burden from people inheriting small and average estates and placing it on those who could afford to pay. Whatever the intention of this Bill is, it certainly does not achieve that. Certainly, wealthy estates are being hit, but mostly this is aimed at the middle group of citizens and it will bring ruin and tragedy to many widows and children.

In that same television telecast, the Premier said that opposition to the Bill had arisen simply because it closed loopholes at present being exploited by the very wealthy. As far as the implication that the law has been broken and evaded is concerned, let me say that an avoidance is not evasion. Everyone has the right to arrange his or her affairs on the faith of the present structure of the Act.

The Hon. S. C. Bevan: If they can get away with it, why blame them!

The Hon. JESSIE COOPER: They are not getting away with it. Doesn't the Minister understand English? Evasion is different from avoidance. It is a matter of law, not a matter of will, or anything of the sort. In fact, a letter written to the *Advertiser* on November 27 dealt with that very interjection. The letter said:

> Arguments advanced by supporters of the amending Succession Duties Bill have been based on the proposition that there is some "loophole" in the present law and that people have been taking advantage of it to evade payment of duty.
>
> Any such statement is absolutely false and completely misleading.
>
> Should a statement of this kind appear in a company prospectus, the directors would spend most of the rest of their lives in gaol.

The letter was signed "An Adelaide Lawyer".

The Hon. S. C. Bevan: He must have been a member of the Liberal and Country League.

The Hon. JESSIE COOPER: This Bill is quite outside the electoral promise. It hits savagely at joint tenancy, implying that this provides the means of evading the Act. In point of fact, it has distinct advantages, the greatest being that the responsibility of owning a home under joint tenancy binds husband and wife together and has proved a firm basis for stable family life. This attack on joint tenancy hits at family life. It attacks the whole idea of saving. It penalizes more than ever the deserted wife. I am getting a little tired of this tongue in cheek sympathy that goes to the deserted wives. Here is another example. It does not, under the present law, form part of the estate of either owner. Its devolution on death is determined by operation of the law, and not by the will of either owner. The Bill is quite outside the electoral promise. In fact, I find it so bad in its major items that I can visualize no possible way of satisfactorily amending such a mess and I intend to vote against it as a whole on behalf of the people of my own district and on behalf of all the people of South Australia.

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

STAMP DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3094.)

The Hon. C. D. ROWE (Midland): This Bill seeks to make certain amendments to the Stamp Duties Act and it follows the form of most of the Bills that have been introduced to this chamber. In its first clause, it makes a concession. We find that clause 6 provides that where the Commissioner is satisfied that before the expiration of seven days after the registration of a motor vehicle, the vehicle has been returned to the person from whom it was purchased, a refund of the duty will be made. I suppose that could be regarded as a concession, although all that will happen, in point of fact, will be that a person will get back the duty that he himself has paid. However, as I say, it is in line with the general nature of Bills. They start by applying icing at the beginning. I congratulate the Government on that concession and must admit that, when I was doing my homework, I did not notice it. When I mention the additional £5,000,000 tax that the Government has imposed, I shall mention the concession as well in order to be fair.

Clause 7 deals with the additional stamp duty on cheques and provides that the duty is to be increased from, I think, 3d. to what virtually will be 6d. as far as each cheque is concerned. I think I am correct when I say that the Government expects that that increase will net it about £450,000 a year. I am not sure whether that relates only to the stamp duty on cheques or also to the other increases imposed by the Bill. That figure surprised me. Very many cheques would need to be written in order to bring in that amount with a rate of duty of 6d. a cheque. However, no doubt the Treasury officials, in whom I have the greatest confidence, have worked out the figure. This seems to have caused more criticism than I first thought it would. Many people are now conducting business by cheque, probably because many business houses do not now send receipts and the cheque is used to show that payment has been made. I question whether this duty can be justified, although apparently the Government considers that it needs finance, and it has chosen to raise it in this way. Clause 9 enacts new section 60a, subsection (1) of which provides:

> Subject to the provisions of this section, any instrument whereby property is conveyed or transferred to any person in contemplation of a sale of that property shall be deemed to be a conveyance on sale of that property for a consideration equal to the consideration for the contemplated sale or the value of that property whichever is the greater.

At present, where land or real estate or farm property is being transferred, a contract of sale is entered into under which a deposit is paid, the balance of the purchase money being paid at the date of settlement, which is the date when the property is transferred. Normally, a deposit of 10 per cent is paid, the remainder being paid on transfer, which is perhaps a month or two later. At present, 1s. stamp duty is paid when the agreement is entered into, and stamp duty of £1 on each £100 is paid when the contract is executed. I should like to know whether new section 60a (1) means that the fee will be payable on a contract when it is signed. The Government will not miss out on receiving stamp duty under the existing provisions, as it will be payable when the transfer is registered. As I read this new subsection, I do not think it will mean that the full stamp duty will be payable on the signing of the contract, but I should like the Parliamentary Draftsman to consider this.

The Hon. A. J. Shard: He cannot be listening to you when other members of your Party have him dealing with amendments. This is his place.

The Hon. C. D. ROWE: I am not criticizing.

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

The Hon. C. D. ROWE: I should like him to consider this, as it will have a serious effect on ordinary commercial transactions. I turn now to the provisions relating to duty on receipts. The Bill does several things; first, it makes the giving of receipts compulsory, and, secondly, it increases the rate of duty that must be paid on each receipt. Admittedly, it exempts transactions up to $10, but it applies a duty of 2c on receipts for amounts between $10 and $100, 10c for receipts between $100 and $1,000, and 20c for receipts for over $1,000.

The Hon. S. C. Bevan: That is a fair sum of money.

The Hon. C. D. ROWE: It is, but in the second reading explanation the Minister said:

> It is expected that the extended list of receipts exempt from duty will almost cancel out the increases in duty, leaving possibly a small net increase overall.

If the net result of having the compulsory issue of receipts is that very little more money will be raised, I think perhaps it is better to leave things as they are, because issuing receipts will be costly to industry, and it will be impossible of performance in many instances. In connection with an office property I own at Maitland, electricity accounts must be paid from time to time, and as a matter of convenience these are paid at the local bank. I deposit the money at the bank for the amount of the account, but as I understand this Bill it will be obligatory if the amount is for over $10 (as it invariably is) for a receipt to be issued. I do not know what the arrangement between the bank and the Electricity Trust will be with regard to the recoupment of the value of receipts. I shall now take a more difficult illustration: nearly every farmer who sells wheat arranges for the proceeds of the wheat to be credited direct to his banking account. This is a convenience to the farmer, because if cheques are posted to him there is frequently delay in their being paid into his account. This facility is important to him, because the bank has details of the number of bushels he has sold and when payments are made for the second, third and fourth advances on the wheat it knows how much he should receive. If the proceeds for wheat are not paid direct to his account, it is difficult to see who will have to pay duty for the receipts.

The Hon. S. C. Bevan: They would not be required.

The Hon. C. D. ROWE: I cannot see any exemption for primary producers' receipts in this Bill. I am not arguing for an exemption for primary producers; all I am doing is instancing the problems that will arise. It seems to me to be rather farcical that a person should be forced to issue a receipt and place a duty stamp on it when the person who has paid the money has not requested a receipt. In some other States an arrangement is made with big industrial and commercial organizations that they pay a set figure to the Treasury each year to cover the expected cost of their receipts. As I understand it, it is not an inconsiderable figure. However, it may be cheaper for them to pay this sum than to go through the procedure of issuing individual receipts. I mention the problems that will occur and place them alongside the statement of the Minister that this is expected to bring in no appreciable increase in revenue.

I think we would be serving the public better if we did not alter the law relating to receipts. However, if we did no more than that we would still have to alter the figures to decimal equivalents to save inconvenience to the public. The cost of running computers and employing typistes and clerks to process individual transactions is not a small cost, so I think this change to the law will cost industry more than the Government will receive from it. I hope it is not the policy of the Government to inconvenience people purely to cause inconvenience, but it appears from the Minister's explanation that this will not result in any increase of revenue that this is so. This reminded me of the story of the Cornishman who bought a horse and when asked, "Why did you buy the horse?" he said, "The horse is handy." When asked, "What is it handy for?" he said, "It goes and gets a bit of chaff for itself." It seems to me that all we are doing with this Bill is collecting a considerable amount of money to result in no increase as far as the Government is concerned. In those circumstances, I shall certainly require more information from the Minister before I will be prepared to support this clause. I support the second reading.

The Hon. F. J. POTTER (Central No. 2): Some matters in connection with this Bill disturb me. Two principal matters are, first, the increased duty that will be imposed on cheques and, secondly, on receipts by the provisions of the Bill. It seems unfortunate at a time when the Government is preaching in the Prices Act Amendment Bill that no advantage is to be taken of the introduction of decimal currency into this State for the prices of goods to be increased, that this Government has seen fit to take the opportunity of increasing stamp duty on cheques to 6d, or the equivalent. That is double the present duty, an increase of 100 per cent. It seems that this is a misguided way of endeavouring to raise additional revenue, because the public has been encouraged by a campaign that has had the support of all Governments to make greater use of cheque facilities. As a result, thousands of people today are using cheques and they will be forced to pay the 100 per cent increase in stamp duty.

The Hon. C. R. Story: The use of cheques encourages thrift, doesn't it?

The Hon. F. J. POTTER: I think so. However, the important matter is that business houses are using cheques and it is well known they use them 95 to 100 per cent in meeting their accounts. They will also be faced with the increased duty, and what will be the result? Do not imagine for a moment that they will absorb that extra cost! The truth is, like everything else, they will pass on that cost to the consumer and, therefore, it is the consumer who will pay as a result of the 100 per cent increase in stamp duty.

The Hon. D. H. L. Banfield: Do you think that they will add a percentage on profits in addition to the actual amount?

The Hon. F. J. POTTER: I am not dealing with profits; this is a question of cost and the additional cost will be passed on to the consuming public. Therefore, I deprecate the fact that the Government has taken this opportunity to double stamp duty on cheques. I think it is something that will be remembered by many people, including supporters of the present Government who use cheques in their normal household affairs. I think when news of this gets around, like the other increases imposed—increases in taxation—the Government will have to reckon not only with the people who traditionally support our side of the Chamber but their own supporters also.

I now deal with clause 13 of the Bill that makes the giving of receipts compulsory. It seems to me that the conception behind this provision is extremely strange. If one looks at the provisions of the clause it will be seen that what is asked of people in the community in this regard is almost an impossible task. They are asked to give a receipt for all transactions involving $10 or more, even if that receipt is for an ordinary cash transaction,

and one has only to imagine the difficulty that this will impose on industry and commerce. One can imagine the situation that could develop, say, in a supermarket on a Saturday morning when people line up and pay for their groceries and meat. I suppose the greatest percentage would have bills for £5 or more. If the whole process has to be held up while the appropriate stamp duty is collected on each transaction, I think there would be chaos. Apart from that, the cost to industry and commerce will be fantastic, because it has been pointed out to me that in many instances the actual cost of processing a receipt and all factors involved in it could be as high as from 4s. to 5s. Here an additional burden is imposed on industry and commerce for little reason, because, as the Hon. Mr. Rowe stated, it is alleged that the so-called benefits given under this Bill will be cancelled out by the increased revenue. It seems ridiculous that this should exist when the present system has worked reasonably satisfactorily, and I do not see why we should have this compulsory receipt provision in any circumstances.

In that connection I raise one matter, and I intend to move an amendment in connection with it in the Committee stages. There are people who are acting in the community as agents for the receipt and collection of money, and here I refer in particular to solicitors and others who act in a fiduciary capacity. It is common for those people to receive from persons on their behalf large sums of money. In fact, if conducting settlement of real estate or other transactions, it is common to find amounts of £4,000, £5,000 or £10,000 passing through a trust account, which is really acting in no other way except as a kind of conduit-pipe between two people. If the solicitor or agent concerned is to be compelled to put on these large amounts duty stamps for 2s. (because this is what will be required of him in each case), it will be an unfair burden because in connection with any transaction there will be the receipt of money to be paid out immediately to the client; or, on the other hand, it will be from the client to be paid out to somebody else. So there will be a 4s. impost on what is one simple transaction.

This matter has, apparently, been realized as difficult and perhaps anomalous in Victoria, because there it is provided that there shall be an exemption to solicitors and agents acting in this fiduciary capacity. Although in Victoria they are not exempted from the payment of stamp duty on this type of receipt, they are nevertheless loaded with stamp duty only at the minimum rate. This is a fair and reasonable provision and one that we should incorporate in our legislation. Therefore, at the appropriate time I intend to move an amendment to clause 15, which deals with certain exemptions. I shall propose that, in the receipt or acknowledgment of money received by a solicitor or agent from his client or principal for payment to another person or received from any person on behalf of the solicitor or agent's client or principal for payment to such client, the transaction is to be exempt; but nevertheless each receipt for $10 or upwards shall bear a stamp duty of 2c, which is the minimum stamp duty provided under this Act. I think that at least it will do something to help people who are placed in that unfortunate situation and would not be happy to pay stamp duty on money which is not their money but in respect of which they are acting in only a third party capacity.

I oppose the provisions of clause 13 dealing with compulsory receipts and the need to keep receipts in this way. It is an unwarranted and unnecessary burden upon commerce and industry in this State, particularly as the whole thing will finish up where it started from, according to what was said in the Government's policy speech. Therefore, although I shall support the Bill I intend to oppose the provisions in connection with compulsory receipts, because they are completely unworkable and unnecessary.

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

CITRUS INDUSTRY ORGANIZATION BILL.

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

WORKMEN'S COMPENSATION ACT AMENDMENT BILL.

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

SUPERANNUATION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3108.)

The Hon. R. A. GEDDES (Northern): In his policy speech made at the beginning of the last election campaign, the Premier said:

I give a definite assurance that superannuation will be completely overhauled and provide benefits equal to other States and the Commonwealth. There will be a further provision that

persons who desire to retire earlier than the normal retiring age of 60 years for females and 65 for males may do so, provided they pay an amount equal to their normal contributions had they not sought early retirement. Any exemptions that already apply for early retirement will continue. These provisions apply in other States and the Commonwealth, consequently they should apply in this State.

The Hon. F. J. Potter: There is nothing in this Bill dealing with early retirement, is there?

The Hon. R. A. GEDDES: No. A suitable explanation was given by the Minister in explaining the Bill that, because of technical difficulties, these things had not been allowed for yet. He assured honourable members that provision would be made as soon as the technical difficulties had been overcome. This seems to be a matter of regret not only for the Government but for those reaching the retiring age of 60 or 65, as the case may be, who hoped when they voted in March of this year that this provision would be an early accomplishment of the Government. As I appreciate the Government's difficulties in this matter, my comments are to be taken not as a derogatory criticism but as pointing out that the Premier said this would be done and that it is not in fact being done. It was also stated that the benefits would be brought into line, as far as possible, with other States of the Commonwealth. However, examination of the figures shows that the increase is between 2 and 3 per cent of the previous superannuation grants made to those deserving of them or those who were entitled to them. That 2 or 3 per cent, small as it is, must be a great benefit in these days of ever increasing costs, whether those costs be imposed by the Government, private industry or by the generally spiralling trend evident throughout the Commonwealth. What a disappointment it must be to those already in receipt of a pension who are not receiving any increase.

That is my main point of criticism—the fact that those who contribute today will receive a benefit but those who have given their services and have tried through the years by subscribing to the fund at a greater rate than under the new plan of 70-30 will not receive any increase. The difficulty of people in retirement is one with which we are all familiar. If they receive superannuation in many instances they are not entitled to receive old age pensions, and that is a bone of contention that I fear we will have to battle with for some time. Is it the individual who should prompt his Commonwealth member as to the need for a review of the means test, or should it be that Governments also try? Should not our State Government urge and ask Commonwealth authority to reduce still further the application of the means test so that those receiving superannuation, not only from a Government authority but from private industry, can receive some benefit from the social service contribution they have been forced to pay through taxation measures for many years?

An interesting point arises in clause 8 where the pensioner who has been paying into the superannuation fund for many years and who has now retired will be credited with money that he has contributed over and above the 30 per cent that the Government is now proposing. Under the old scheme this person was paying at the rate of 33⅓ per cent or 40 per cent, and when such a pensioner dies unfortunately the credit goes back to the fund and not to the widow or dependants. However, under clause 9 the contributor who is paying into the fund now, with credits due from the extra money paid into the fund on the system of 33⅓ per cent or 40 per cent, would have that money credited at his death and it would virtually form part of the estate. This seems to be an anomaly that I hope the Chief Secretary will consider at a later stage.

It is with interest I note that married women who subscribe to the scheme will be able, on marriage, to continue to receive superannuation benefits. This was an anomaly that occurred in the past and I know it caused hardship, especially in the teaching profession. I heard of many such instances where girls who were married lost their equity in the fund at the time of their marriage. The amendment is a good one, and it has my support. I was interested to note in the second reading explanation that because the actuary who was on the board, and appointed as prescribed in the Act, had died it was considered that there would be no need for replacement and there is an amendment that simply states (clause 4):

Subsection (3) of section 8 of the principal Act is repealed.

That subsection reads:

One of the members of the board shall be an actuary provided that if there is in the State no competent actuary available and willing to act as a member of the board this subsection shall have no effect.

It seems strange that this subsection should be repealed because we do not have an actuary. The principal Act states:

If there is no actuary or competent actuary available or willing to act as a member of the board this subsection shall have no effect.

This appears to be an anomaly, and I should like the Chief Secretary to answer this point at a later stage.

The question of superannuation is an old one. From research in the library, I understand that even in Roman days soldiers who gave good service were paid a pension that in modern language would be referred to as superannuation. Later still, civil servants who had given faithful service were considered. In France in the 16th century the problems of superannuation almost upset the complete financial structure. This was brought about by the fact that courtiers and almost everyone who wished to curry favour with the King considered themselves to be entitled to, and demanded, some form of reimbursement from the Crown, and got it. Those were in the days prior to the French Revolution, and it was one of the principal items, similar to an irritation in the bottom of our shoe, that caused that revolution. The first Act in Great Britain was in 1834, when a Bill was brought in to provide for pensioning the civil servants of the Crown or public authorities. So, since 1834, one may say that within the British law the principles of superannuation have been growing every year. It seems that never can we quite reach perfection, the apex of what would be a fair and possibly just distribution to a man or woman on retirement. There is always another "if" and wish, "somebody is pushing me; somebody wants some more"; but I do not blame those who wish for more in their superannuation or those who find it difficult to meet their requests. I support the second reading.

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

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3092.)

The Hon. Sir LYELL McEWIN (Leader of the Opposition): This legislation was first enacted in South Australia in 1948, at a time when the Commonwealth Government went out of price control. It was then taken over by the States, which worked for a number of years with their own Prices Ministers and conferences, achieving some uniformity in price control. Eventually, some of the States went out of price control and South Australia continued with a modified Act and a big reduction in the number of commodities that were controlled. The Act has been amended every year since. It can be said that, after supporting the original Bill and the 16 or so amendments to it since, I am more or less committed to price control. That would be a fair assumption, with some qualifications. They are that there are some differences today compared with the position that continued for year after year under the previous Government. During those years that Government supported a system of keeping costs down to a minimum. In other words, the Government's policy was to keep costs down, which in turn enabled some sort of stability to be maintained in commodity prices generally. But today the position is different, in that the present Government is in the van in raising charges in various directions (house rents, water charges, etc.), which in turn must be reflected in increased prices. The present Government is the promoter of increasing prices. In his second reading explanation the Minister made some remarks that are inconsistent with price control:

> It is considered necessary that the machinery to contain unjustified price increases be retained. The continuance of the Prices Act will ensure that the lower prices of a wide range of commodities in this State as compared with other States will also be maintained.

The comparison we have had with other States continually this session has been a reason for raising prices and charges by means of taxation. There is nothing to suggest in the legislation we have dealt with that any example or precept is established by the Government for keeping the margin a little more favourable to South Australia than to other States. Even the examples given in support of price fixation resulted from the previous administration, because, particularly in respect of housing figures, the figures given were for the year ending June, 1965. However efficient the administration of price control may be, there will be some difficulty in the Government's producing these advantageous figures available in the case of building, where the figures given are much more favourable than those of any other State. That is because we have been able to get better value for money in building housing units for the population.

The Minister's second reading explanation also stated that the Government would give assistance to the primary producers wherever possible. Today, the primary producers are actively concerned about some legislation promulgated by the Government for our consideration, which will increase production costs of primary producers. So it seems to me that the reasons advanced on this occasion for the introduction of this measure are receiving rather scant support and consideration from official circles, from the Government's point of

view. I hope that at some time the Government will perceive where its legislation is leading us and how futile it is to pass this sort of legislation unless it gets some definite support and backing from the Government itself.

Price control has been of some benefit in the past but I qualify that benefit as being associated with the previous administration. I hope that the Government will make every endeavour to see that it makes its contribution towards ensuring that price control can still be effective in South Australia. I support the Bill.

The Hon. Sir ARTHUR RYMILL (Central No. 2): I have spoken at great length on this legislation over the years. I think honourable members will be relieved when I announce that I do not propose to speak at such great length on this occasion. Honourable members know my views on this matter, and I think that would apply to even those members who have been here for the first time in this session, because I have always been violently opposed to price control, and I remain so. I believe in free enterprise, despite the earlier remarks this evening of the Chief Secretary. In my opinion, competition is the essence of our capitalist structure. I consider that price control is completely antipathetic to that. Restrictions from the dead hand of Socialism and price control do not go with a vigorous enterprise and a surging economy such as we all want to see, a virile economy with full competition. However, I know that price control is traditionally Labor and Socialist policy.

I have said previously (and I am prepared to hold to it) that I am prepared to support the things for which I think the Government has a proper mandate. I regard this as part of their domestic policy, although I do not agree with it. I am not certain what the price of a standard loaf of bread is at present.

The Hon. A. J. Shard: I could not tell you. It is a long time since I have sold one.

The Hon. Sir ARTHUR RYMILL: I have asked certain honourable members and they do not seem to be aware of the price. I thought the Chief Secretary might be able to assist me. I am sure he is still very interested in this particular industry.

The Hon. A. J. Shard: Very much so.

The Hon. Sir ARTHUR RYMILL: Yes, I felt sure he was. In fact, I know that he still has certain ties with it. I am told that the ordinary price controlled loaf of bread now sells for 1s. 6d. However, there does not seem to be much information around the Chamber on this matter. I take this to illustrate a point about the table in the legislation, because, when we get into decimal currency on small items such as a loaf of bread, it seems to me that this table need not necessarily do an accurate degree of justice. For instance, under the table, 6d. is 5c and 1s. is 10c. Thus, if the price of a loaf of bread at the moment is 1s. 6d., it will convert readily to 15c, its exact equivalent. However, if the price of a loaf of bread increases to 1s. 6½d. before decimal currency comes into operation, as it well may, under this table the halfpenny will be completely lost. In other words, if it is found necessary to increase the price to 1s. 6½d., the conversion under this table will bring it back to 1s. 6d. I take that as an example of what arbitrary approaches of this kind can do. I realize that this is to a degree inescapable but, nevertheless, it seems to me that on these small items—

The Hon. A. J. Shard: With huge quantities like bread, there is big money in it.

The Hon. Sir ARTHUR RYMILL: Yes. The halfpenny a loaf lost on this conversion table could mean a large degree of the profit in the case of mass production of an item such as that. I am not labouring the point, but it seems that certain latitude will be necessary in cases such as the example I have given. I regard price control as a part of Labor policy. Curiously enough, some Labor Governments in Australia have abandoned much more price control than our previous Liberal and Country League Government did, but this particular Government wants to go on with it.

The Hon. A. J. Shard: You will agree that it could be wise at this particular time, with the changeover of currency.

The Hon. Sir ARTHUR RYMILL: I shall not agree that it is a good thing, because I think there must always be a time lag in adjustments and I find that one of the troubles with price control is that it is an impatient sort of thing. It will not wait to let the economy adjust itself by the ordinary processes of competition. People have to rush in and control things immediately and in that way competition is not promoted but is stifled, in my opinion.

However, as I have said before, I have never regarded price control as being a proper part of Liberal policy. I think it is foreign to the doctrine of Liberalism. It is part of Labor policy. Thus, I felt at liberty to oppose price control as vigorously as I could while we had a Liberal and Country League

Government. However, things have changed. We now have a Labor Government, and it is an accepted part of that Government's policy. In these circumstances, although I certainly do not support the measure, I do not consider that it would be proper for me, at this stage in any event, to oppose it.

The Hon. A. J. Shard: I never thought I would hear you say that.

The Hon. Sir ARTHUR RYMILL: The Chief Secretary has claimed that he is a broad-minded person, so if he will dwell on that idea for a moment, he may get some concept of the way I am thinking about the matter.

The Hon. C. D. Rowe: I almost think he has been doing your homework for you.

The Hon. Sir ARTHUR RYMILL: One would have thought that if he had not been so vigorously opposed to doing homework for such people as the former Attorney-General. I wish he would do a little homework, especially on the matter that the Hon. Mr. Rowe has asked him to work on. If the Hon. Mr. Rowe's figures are incorrect, I suppose he will be corrected, but one will wait with a good deal of interest on that matter. I repeat that I do not support this Bill. I do not like anything about it but, on the other hand, I think it is part of Labor policy and, therefore, I do not think it is for me, at this stage in any event, to oppose the Bill, so I shall vote for the second reading.

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

EXCESSIVE RENTS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3100.)

The Hon. F. J. POTTER (Central No. 2): This Bill is in many ways similar to a Bill that came before this Council in 1963. I spoke on that Bill, and in that year a private member in another place, who is now the Attorney-General in this Government, introduced in a private member's Bill what is now contained in clause 4 of this Bill. That was passed by another place, after which it came to this Chamber, where it was introduced by the late Hon. Mr. Bardolph, who supported it. I spoke against it, and I speak again tonight against clause 4 of this Bill, which is in identical terms to the previous measure and is a retrograde step. It virtually reintroduces the landlord and tenant control on leases and tenancies, as it provides that only leases and tenancies for three years or more shall be free from the operation of the Act. That is putting the legislation back a long way, because even under the Landlord and Tenant (Control of Rents) Act, as those who were members at the time will remember, a lease in writing for six months was free from the operation of the Act.

That section has been widely used by people, and it enabled landlords to take on as tenants people they did not know well and give them a trial to see if they were fit and proper persons to be tenants. When, in 1962, the Landlord and Tenant (Control of Rents) Act was eventually abolished after many honourable members had been supporting its abolition for years, it was provided in the Excessive Rents Bill that took its place that leases for one year would be exempt, and that is the present position. The situation now exists (and I can speak not only from my personal knowledge but from information I have received and checked with land agents and other solicitors) that there are practically no three-year leases on dwellinghouses in the metropolitan area; leases are drawn up for a one-year period, having regard to the provisions of the principal Act. This Bill puts the period back to three years, which is a step that is completely in the wrong direction because it will mean that all tenancies for less than three years will again be subject to rent control and we shall have the old story of the landlord (who in many cases has a small purse) fighting the Housing Trust, which has an unlimited purse.

This Bill is obviously drawn with one thing in mind—to make people grant leases for three years or more so as to be outside the provisions of this Act. In his second reading explanation the Minister referred to the definition of "purchaser", which he says has been taken from the United Kingdom Rent Restriction Act, so obviously someone has been looking at that Act in connection with this matter. Honourable members may be interested to know that the English Labor Government has recently legislated under that Act to give tenants in certain cases the right to buy out their landlords, and I am wondering whether, from the insistence in this Bill that there be three-year leases, this is not just the thin edge of the wedge and whether it will not be very long before this Government will say, "The lease is for three years and there should be some right for the tenant to purchase the premises, because you will be out of possession for a long time anyway."

The Hon. C. R. Story: There is a Socialist Government in England, too!

The Hon. F. J. POTTER: That is so, and that is the Government that introduced the amendment to give tenants the right to buy out their landlords. This may be a glimpse of things to come here.

The Hon. C. R. Story: You would not expect the Minister of Local Government to complain about my quoting Victoria in relation to another matter when his Party refers to the English position.

The Hon. S. C. Bevan: The honourable member refers to any country in the world if it suits him.

The Hon. F. J. POTTER: I object to clause 4, as we struggled for many years to abolish this provision in the Landlord and Tenant (Control of Rents) Act. It is interesting that the very thing I said when I advocated the abolition of that Act turned out to be true—that since its abolition the increase in the rent component in the cost of living index has been infinitesimal. I will vote against clause 4 in its application to three-year leases, and I hope other honourable members will support me.

Clause 7 enacts something new, which may be summed up briefly by my saying that, where an agreement has been made between the owner and a purchaser for the sale of a house that has been declared by the Housing Trust to be substandard under the provisions of the Housing Improvement Act, an application can be made to the courts by "big brother" Housing Trust for that agreement to be completely abrogated and for a statutory tenancy to be substituted so that the person who has previously been purchasing the house will no longer have any obligations under the agreement and the owner will no longer have any rights. The court will say, "You can stay there for such and such a time for such and such a rent", and the whole matter will come under the control of the court so that the agreement made for purchase and sale will have gone. The landlord can do nothing about it until the person who becomes his statutory tenant eventually leaves the premises either voluntarily or because the statutory tenancy period has expired. I want to make it clear that I do not hold any brief for people who sell substandard houses to unwitting purchasers under the guise of getting them in there and virtually saddling them with a burden that is unfair and unreasonable.

The Hon. S. C. Bevan: That is why you are opposing this amendment!

The Hon. F. J. POTTER: I have not said I am opposing it. I am dealing with clause 7, and I say that I will support the clause with certain amendments because I think it is only fair and right that the court should have the power to intervene in certain circumstances. However, I cannot go along with the full provisions of clause 7 (2) because it seems to me that it is provided that at any time any house that is the subject of an agreement for sale and purchase can be declared substandard by the trust and the agreement could then be avoided. Many people in this State are purchasing houses under an agreement for sale and purchase, perhaps entered into many years ago, and they are paying off the amount that they have contracted to pay over a period of years. Such action is frequently resorted to where the purchaser or the intending purchaser has not enough money to pay a sufficient deposit to enable the house to be transferred to him and the balance paid under the terms of the mortgage. In such cases land brokers arrange for a contract, and instalments are paid under that contract. It seems to me it is completely unfair and wrong if the application of this section upsets a solemn agreement for sale and purchase made perhaps many years ago and an opportunity is now given to the purchaser of that agreement to get out of it and to leave. The owner would have no remedy at all just by a purchaser going and having a house declared substandard. It may well be that in the interval the tenant has caused the house to become substandard, within the meaning of the Housing Improvement Act, because by his neglect or certain other things he has done, or even wilfully caused damage, and the house has become such that it could be the subject of a substandard order.

The Hon. S. C. Bevan: Do you think a person purchasing a house under such a contract would allow that house to deteriorate in such a manner?

The Hon. F. J. POTTER: It is not his property at that stage. He has an equity in it. It must be remembered that there are bad tenants as well as bad landlords.

The Hon. C. R. Story: He has not an equity by a deposit?

The PRESIDENT: Honourable members should take the opportunity of speaking in the debate rather than several of them carrying on a conversation with the honourable member who is speaking.

The Hon. F. J. POTTER: I say that it would be wrong for agreements made, perhaps

some time ago, now to be opened up. I would be prepared to support the clause provided that it deals with an agreement concerning a house that is substandard at the date of the agreement. I will go even further, as my amendment on file does, if it is made substandard within six months thereafter. Then there could be no question of any fraud on the part of the vendor if he sells a house that is nearly substandard as an opportunity could be given to the purchaser to take the matter up within six months of the date he signed the agreement. I think this is fair. However, if this clause catches agreements that have been made for three or four years or more, I think it is unfair and it is a superb example of the old maxim of hard cases making very bad laws indeed, because we are now cutting across the whole concept of the contract between vendor and purchaser.

I have looked at the measure carefully and I see nothing in any other provision that causes me to be doubtful about it. In many respects, these others matters dealt with are sensible, and perhaps even timely, but the two vital matters that I have referred to I consider are those that honourable members must examine carefully. I hope that when this Bill reaches the Committee stages other honourable members will support the attitude that I am taking on these two clauses. I support the second reading.

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

FAUNA CONSERVATION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3112.)

The Hon. H. K. KEMP (Southern): This Bill is a simple measure making four simple amendments to the principal Act, all of which I am sure are entirely justified. The clause that cuts out the necessity for a policeman to carry an identity card when he is performing duties under the Act is reasonable. If police officers were asked to carry separate identity cards in relation to each of the various things they do, we would need to pass a Bill enabling them to have card indexes for all their authority cards.

We thought that in the original legislation provision had been made for all the scientific work necessary for the preservation of wild life, but that is not so, and this Bill contains a clause that will relate to the Commonwealth Scientific and Industrial Research Organization Wild Life Division. They have found that the Act as it stands precludes them from any bird banding in the game reserves. The amendment makes it possible for C.S.I.R.O. wild life officers to go into wild life sanctuaries and game reserves to carry out this work, but it still keeps inviolate the prohibited areas that are more or less the secret and important centres. To such centres is still reserved to the Minister and to the museum authorities the right of access, and I consider it a wise and proper provision.

The most important amendment is the last one, and it created considerable interest when it was first mooted because, at first glance, the wording appeared to make it possible for a game warden in charge of a game reserve to trade by virtue of the permit given him to destroy or take specific species of animals or birds. Section 4 of the Act gives the Minister power to issue a permit for any species designated to be taken, and the term used in the original Act is a wide one. It means anything from killing such species to collecting them, and applies to animals as well as to birds or birds' eggs.

In setting up sanctuaries on private land it has been necessary to issue to the warden—usually the owner—a permit to destroy vermin. Following that arose the necessity for not only the landowner having this power, but anybody employed by that landowner. In the curious cases we have of kangaroo shooters in the Northern districts, people apply for the right to shoot kangaroos and trap rabbits; under this amending clause they may be granted a permit that they can legally use. This appears to open the door wide to abuse, but closer examination and a check with the authorities reveals there is no doubt that no loophole exists.

The permit given specifies the species that can be taken, and they can only be taken in the way of destruction. It means that they must be destroyed. There is no possibility of a man applying for a permit to catch galahs and then passing it over to a bird dealer and saying, "Catch these galahs and start trading in them". The fact that this is restricted to destruction and that the species are specified means that no loophole exists.

The amazing thing is that this was a large Act and new in its concept in South Australia. The present four minor amendments are the only ones that have been found necessary. It has been remarkable that, when asked as to how the Act was operating in practice, people have said "It is a good Act, and working

well." I think this should be recorded because it is unique that this should operate so efficiently so soon after its inception.

Under this Act already 20 new areas have been dedicated to the preservation of fauna, and that is a remarkable figure. It is not really a correct figure as it is under-estimating the actual number. By the time the first report is issued next June there are likely to be many more because a number of cases are in the process of being examined.

Particularly important is the fact that this Act is interlocked with legislation of other States. There is no doubt that the traffic in wild life across the borders through the misuse of permits that have been granted here and elsewhere has been almost completely stopped. As far as I can discover, there is no evidence of any volume of such traffic. It is not only a good Act, but it is attaining its objectives. I think there is nothing else we can do to encourage the work other than pass these amendments without delay. I support the second reading.

Bill read a second time and taken through its remaining stages.

COMPULSORY ACQUISITION OF LAND ACT AMENDMENT BILL.

In Committee.

(Continued from November 24. Page 3111.)

New clause 3a—"Basis of compensation."

The Hon. R. C. DeGARIS: I move to insert the following new clause:

3a. Section 12 of the principal Act is amended by striking out paragraph (2) of the rules set out therein and inserting in lieu thereof the following paragraph:—

(2) The value of the land—

(*a*) in any case where the land is taken—shall be taken to be its value on the day on which the relevant notice to treat was given by the promoters pursuant to section 23 or section 44a of this Act; or

(*b*) in any case where the land is not taken—shall be taken to be its value on the day when the execution of the works was commenced,

together, in either case, with the actual value of any improvements *bona fide* made thereon prior to such day: But the court or arbitrator shall be entitled to consider all returns and assessments of capital value for taxation made in respect of the land or acquiesced in by the claimant.

In the principal Act the value of land being acquired compulsorily is to be taken as the value 12 months prior to the notice to treat. When this Act was originally drawn, there was probably a good reason why this provision was included. In my second reading speech I pointed out that in these days we have rapidly rising prices, particularly in respect of land in most parts of the metropolitan area, and the basis of compensation for land being compulsorily acquired creates an injustice to the owners of that land where the value is to be 12 months prior to the notice to treat.

The Hon. A. J. SHARD (Chief Secretary): I ask the Committee not to accept the amendment.

Section 12 of the principal Act sets out the rules in accordance with which the basis of compensation is to be assessed. Rule (2) provides that the value of the land is to be its value as at the beginning of the period of 12 months prior to the giving by the promoters of the notice to treat or prior to the commencement of the execution of the public work. This principle has been written into this legislation since 1918 and has been an effective means of inhibiting speculation in land and collusive sales designed to obtain greater compensation based on fictitious sales figures.

Whenever practicable, promoters have in the past attempted to negotiate with the owners of land for the purchase of the land by agreement and only when negotiations to purchase fail do they resort to giving notice to treat to acquire the land compulsorily. Thus owners receive notice that their land is required for a public work many months before it actually becomes necessary to give the notice to treat.

For this reason alone it is entirely fair that the value of the land should be ascertained as at a date prior to the giving of the notice to treat and there is no valid reason for changing the existing rule which fixes the value of the land as its value at the beginning of the period of 12 months prior to the giving of the notice to treat.

The proposed amendment, if agreed to, will provide that the value of the land is to be its value at the time of the giving of the notice to treat. This would render possible, and encourage, a number of undesirable practices by persons who get advance information that their land is to be acquired. In particular, owners will be encouraged to attempt to boost the value of their land by resorting to improper, and perhaps dishonest, devices which, under the proposed amendment, the promoters will have no power to prevent. The amendment could even have the undesirable effect of forcing promoters to give notice to

treat even without commencing negotiations for the purchase of the land by agreement.

The proposed amendment is also too sweeping in its effect. It applies equally to cases where the notice to treat is given before and after the Bill becomes law. Thus, if notice to treat has already been given and proceedings for compensation or negotiations between the parties have commenced on the basis of the value of the land as at the beginning of the period of 12 months prior to the giving of the notice to treat, the parties would be forced to incur the expense of, and suffer the consequences of the unnecessary delay in, obtaining fresh valuations of the land as at the date of the notice to treat before the proceedings or the negotiations could be completed. For these reasons I ask the Committee to reject the amendment.

The Hon. G. J. GILFILLAN: I support the amendment, the purpose of which is to give a fair deal to the person whose land is about to be acquired. The Chief Secretary's explanation, comprehensive as it was, gave little consideration to the person whose land was to be acquired. In many cases of land being acquired for public purposes the vendor is an honest man who merely wants to be paid the value of his land, to which he is entitled. The "many undesirable practices" referred to by the Chief Secretary elude me, because, as the value of this land is fixed by a valuator and can finally be decided in the courts, I fail to see what "undesirable practices" would be practised by the average person. The Government should be doubly sure of giving people a fair deal when it acquires land.

The Hon. S. C. BEVAN: I oppose this amendment. The Highways Department spends much money from time to time on land acquisition. If this amendment is accepted I hate to think what will happen in that respect. In programmes of road widening, new highways and new freeways, it is necessary to serve notice for a considerable time ahead. The honourable member's amendment states:

(*b*) in any case where the land is not taken —shall be taken to be its value on the day when the execution of the works was commenced.

Immediately a notice is served, we shall find people putting improvements or so-called improvements on land for the purpose of boosting the value. These things do happen. The Highways Department negotiates and attempts to reach amicable agreement on a fair price in each case. A fair valuation is placed on land when negotiations commence.

In one particular case, after a notice had been served, the person concerned immediately planted a row of trees on the property. He came to see me and claimed £500 for the loss of the trees. Honourable members from time to time refer to our roads and what works we should be doing, and I will go so far as to say that, if this amendment is passed, the Highways Department will not be able to acquire land, because it will not have the finance to do so. It has been said that the amendment is reasonable, but what is reasonable about it? It is a double-barrel gun.

We are serving notices to treat today because, although the properties may not be taken up for another three years, we have to secure the land so that it will not be subdivided but will be available when it is required for such purposes as freeways. The people know that their land will be acquired at some time in the future. A notice is served so that they will not re-develop, for instance. If this amendment is carried, it will be impossible for the Highways Department (and it is not the only department that will be affected) to carry out its normal functions so far as the highways of this State are concerned. I hope that the amendment is not carried because of the effect it will have on at least one particular department with which I am concerned.

The Hon. Sir ARTHUR RYMILL: I think the Minister has overlooked that this amendment is pinned as at the date of the notice to treat, not at the date the Government wants to take up the land. I think, and have thought for a long time, that the amendment is overdue.

The Hon. S. C. Bevan: There is reference to the day on which the relevant notice to treat is given, but let us go on from there. What does the rest of it say? What does it say in relation to where the land is not taken?

The Hon. Sir ARTHUR RYMILL: It says "shall be taken to be its value on the day on which execution of the works was commenced." If the Minister wants to exploit landowners, his argument is a good one, but if he wants to give them a fair deal, this amendment will do so. If the Government gives a notice to treat, that pins the value. To give such a notice merely to prevent anybody from getting the developmental value of the land and to leave a person with a notice to treat for several years would be totally unfair of the Government. If the Minister wants to have it all the Government's

way, and that is the way Governments from time to time have—

The Hon. A. J. Shard: We have had it that way since 1918.

The Hon. Sir ARTHUR RYMILL: I have always thought that that was unfair.

The Hon. R. C. DeGaris: Particularly at present.

The Hon. Sir ARTHUR RYMILL: Yes, because we are living in a time of inflation. If the value is to be dated back one year in every acquisition, people will be paid less than the land is worth. I have always understood that, in the case of compulsory acquisition, it is proper that more than the market value of the land should be paid. In England there used to be a latitude of 10 per cent. I do not know whether that still applies, but a person was paid the value of the land, plus 10 per cent. However, the opposite has applied here in that the value as at a particular date is fixed, and in the common sort of case today people receive less than the value. I have said in this Chamber many times, that if the Government or any governmental body or council is going to compulsorily wrest property from owners who do not want to give up the land, the authority concerned should pay a proper margin.

The Hon. R. C. DeGARIS: I always admire the vigorous approach of the Minister. However, I cannot follow his reasoning at the present stage. The only difference between section 12 of the principal Act and the amendment in clause 3a is the removal of "twelve months prior". The only difference is that this question of 12 months is removed and the value is taken as at the time of service of the notice to treat.

The Hon. S. C. Bevan: That is not the only difference; it goes further than that.

The Hon. H. K. KEMP: I think we ought to refer to the circumstances that have given rise to this amendment. This applies to the specific instance of some blocks in the Happy Valley area. These have been taken over and the value was fixed under the present legislation at about £900. It is impossible for these people to buy other blocks as replacements for less than £1,500. These are working men's blocks, and what I have said indicates the valuation spiral that is going on. It is a human problem, and I do not think it is wise for the Government to try to steamroller this measure through, as it is hitting the people it represents.

The Hon. S. C. BEVAN: The Hon. Mr. DeGaris says the only difference between this new clause and the principal Act is the 12 months provision. Once notice is served in relation to vacant land exploitation can immediately take place to boost values, as people know that a start cannot be made on a freeway until their land is acquired. Apparently that is what the honourable member wants, but where will the Government get the finance to pay for the land? Good relations exist between the Highways Department and the general public; this has been built up over the years simply because the Highways Department has negotiated with people as a result of which very little compulsory acquisition has been necessary. Sir Arthur Rymill mentioned devaluation, but I think that in almost every case more than the true value has been paid. This new clause will wreck this situation, and the Government will not have enough money to carry out its road-widening and construction programme.

[*Midnight.*]

The Hon. Sir NORMAN JUDE: There are two sides to this matter, and I find it difficult to decide whether to support the amendment. For a practical point of view I think it is highly desirable that notice to quit should be given. The Minister of Local Government has spoken about ribbon purchases. For a long time I have considered it highly desirable to serve notice on a group of people along a stretch of road, as it has always been unjust to people who have sold when others have held out for higher prices. I agree that little land has been compulsorily acquired in the last 10 years. The giving of a notice does not mean a compulsory acquisition, as in more than 90 per cent of cases these notices are accepted. If the new clause will result in notices being given sooner, it is desirable. If, on the other hand, the notice is left until the last minute and in the meantme people have suspected what will happen and have taken advantage of it to the detriment of the public purse, that is not a fair thing. I will not commit myself either way until I hear the rest of the argument.

The Committee divided on the new clause:

Ayes (10).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris (teller), R. A. Geddes, G. J. Gilfillan, L. R. Hart, H. K. Kemp, C. C. D. Octoman, F. J. Potter, and Sir Arthur Rymill.

Noes (8).—The Hons. D. H. L. Banfield, S. C. Bevan (teller), Sir Norman Jude,

A. F. Kneebone, Sir Lyell McEwin, C. D. Rowe, A. J. Shard, and C. R. Story.

Majority of 2 for the Ayes.

New clause thus inserted.

Progress reported; Committee to sit again.

EIGHT MILE CREEK SETTLEMENT (DRAINAGE MAINTENANCE) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 3101.)

The Hon. R. C. DeGARIS (Southern): I am sorry that I am rising to support this Bill at 10 minutes after midnight. I would like to expand not necessarily on the Bill itself but on the area to which it refers. However, seeing the hour is late I will be as quick as possible. The Eight Mile Creek area was developed by arrangement with the Commonwealth Government. After it was improved and developed, it was allotted to settlers under the war service land settlement scheme. One of the most important aspects of the area is that the drains have made the development possible and they have to be cared for and maintained. As honourable members are aware, war service land settlement leases are issued on a perpetual lease basis, and the rate for drainage could have been part of the perpetual lease except for the fact that the settlers had a right to freehold of the land. Therefore, when the leases were issued the drainage rate was made a separate charge on that land. If a settler had the freehold of his land it would have been unjust that he should be exempt from the drainage rates from the time of such freeholding. Strangely enough, the rating system used in the Eight Mile Creek area (I believe the Act was passed in 1959) was on unimproved value as from assessment. I do not know of any other drainage scheme in the South-East, or anywhere else, where the improved system of rating for the valuation of a drainage system is used, but it did occur in this area. One of the alterations mentioned in this Bill is to transfer from an improved value of rating to an unimproved value for rating purposes.

The Bill was the result of a deputation from the settlers of the area asking for a change in the method of assessment to unimproved value. In the 1955 Act provision was made for a quinquennial valuation, and the last valuation expired on April 30, 1965. The valuation for the following five years has been made, and it was completed on May 1, 1965; it was based on improved values.

The Hon. R. A. Geddes: This is on all country that drains into the area?

The Hon. R. C. DeGARIS: Yes, the whole area is under the war service land settlement scheme, and no country outside the area is touched by the drain. The alteration from the improved value system of estimation to the unimproved value will alter the rates payable on various properties—some will be paying more and others will be paying less.

After the five-year period which ended on April 30, 1965, approximately £4,000 a year has been spent on the care, control and maintenance of the drainage system, bridge work and so on. Approximately £3,500 has been collected from rating on the improved valuation system. Although I appreciate the reason for the change, I also believe that most settlers in the area approve of the change although I believe one or two settlers are not over-happy about it. The drainage assessment should be on an unimproved value basis. Other systems in the South-East work on betterment for drainage valuation. Even under this unimproved value for drainage rating, there will have to be a revaluation every five years. The drainage scheme assessment should not vary: in other words, the assessment should be the improved value that the particular property enjoys from drainage and, once that betterment or improvement has been assessed, that should remain as the assessment from the time it was made onwards. There should be no variation in that assessment unless changing circumstances make it necessary to alter it, as for instance in peat country when a peat fire goes through and burns the ground and there is a lowering of the ground level. In that case some alteration can be made. But this constant changing of the unimproved value should not, in my opinion, affect the drainage assessment; it should be the betterment that the area has received from drains. It should be a firm assessment, the only thing varying being the rate on the property, which can vary if necessary from year to year.

In small drainage systems, such as at Eight Mile Creek, it would be more economic if the care, control and maintenance of that area were in the hands of the council or of a special drainage committee of the area. I know this is open to debate but I think the maintaining of a drainage system can be done much more cheaply by the local council rather than having plant and staff there to handle a relatively small drainage area. I make those

two observations on this Bill and on the Eight Mile Creek area—that the assessment for drainage rating should be a permanent assessment, not subject to alteration or revaluation every five years; and that consideration should be given to allowing the possibility of the local council or a separate committee of the area handling the maintaining and servicing of the drainage area. I support the Bill.

Bill read a second time and taken through its remaining stages.

ADJOURNMENT.

At 12.23 a.m. the Council adjourned until Wednesday, December 1, at 2.15 p.m.