

LEGISLATIVE COUNCIL

QUESTIONS

Tuesday, February 1, 1966.

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

PETITIONS: ROAD TRANSPORT.

The Hon. C. R. STORY presented a petition signed by 186 electors and residents of the House of Assembly Districts of Light, Chaffey and Ridley in the Midland and Northern Districts of the Legislative Council. It stated that any further restrictions on the use of road transport by taxation legislation or otherwise would be detrimental to the interests of the State and that the cost of any such legislation or control would add to the cost of living in country areas and discriminate against the residents of those areas. The petition contained the respectful prayer that no legislation to effect any such control, restriction or discrimination be passed by the Legislative Council.

The Hon. R. A. GEDDES presented a petition signed by 500 electors and residents of the House of Assembly Districts of Gouger, Port Pirie, Stuart, Rocky River and Frome in the Northern District of the Legislative Council. It stated that any further restrictions on the use of road transport by taxation legislation or otherwise would be detrimental to the interests of the State and that the cost of any such legislation or control would add to the cost of living in country areas and discriminate against the residents of those areas. The petition contained the respectful prayer that no legislation to effect any such control, restriction or discrimination be passed by the Legislative Council.

The Hon. R. C. DeGARIS presented a petition signed by 209 electors and residents of the House of Assembly Districts of Stirling and Alexandra in the Southern District of the Legislative Council, alleging that any further restrictions on the use of road transport by taxation legislation or otherwise would be detrimental to the interests of the State and that the cost of any such legislation or control would add to the cost of living in country areas and discriminate against the residents of those areas. The petition contained the respectful prayer that no legislation to effect any such control, restriction or discrimination be passed by the Legislative Council.

Petitions received and read.

MENTAL INSTITUTIONS.

The Hon. Sir LYELL McEWIN: Has the Chief Secretary an answer to a question I asked last Wednesday relating to the construction of and the finance associated with the Strathmont Hospital at Hillcrest and the Elanora Hospital?

The Hon. A. J. SHARD: Yes. The answer is that approval has been given for the preparation of working drawings, etc., to enable tenders to be called for the new Strathmont Hospital and Training Centre at Hillcrest. Tender documents will also be prepared for Elanora Hospital, which is of similar design to Strathmont. The State Grants (Mental Health Institutions) Act of 1964 provides for Commonwealth support up to one-third of the expenditure on capital projects for mental health institutions in the three-year period July 1, 1964, to June 30, 1967. Approach is being made to the Commonwealth to extend the latter date. The Government will make every effort to push ahead with planning and actual construction as speedily as possible.

GRAPE PRICES.

The Hon. M. B. DAWKINS: I ask leave to make a statement prior to asking a question.
Leave granted.

The Hon. M. B. DAWKINS: Last night I was telephoned by a constituent of mine who happens to be the Chairman of the Barossa Valley Grapegrowers. Honourable members will be aware, of course, that there has been a Royal Commission on the wine industry. Because of the drought conditions that we suffered last year, the general harvest of the State was very early. This seems to be reflected also in the vintage in the Barossa Valley. I was told last night that the grape-growers of that area are already harvesting their grapes and delivering them to the wineries, which are commencing duty this week. That gentleman and all those he represents are rather concerned about what is to be done with the price of grapes this year and when the Government will make an announcement on this matter. Will the Chief Secretary ask the Premier whether the Government has given or will give serious consideration to this matter as soon as possible?

The Hon. A. J. SHARD: Yes. I can inform the honourable member, although I am not right up to date on this question, that the Cabinet, the Premier and the Minister of Agriculture have given considerable time and effort to try

to bring about something satisfactory to all concerned in this industry. I know that negotiations are still in progress but am not able to say to what extent they have gone. However, I will discuss the honourable member's question with the Premier to see whether I can give him the information for which he asks.

RIVER MURRAY WATER.

The Hon. C. R. STORY: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. C. R. STORY: On page 2 of the *Swanaysia Daily* of January 15 this headline appears:

M.L.C. expresses alarm at salt threat to settlements on the Murray.

The reference is to the Hon. A. R. Mansell, member of the Legislative Council for that district, who was discussing salinity in the River Murray at a water users' conference at Swan Hill. Further on, the article states:

An alleged horticultural expert said that the danger of high salinity being created in the Murray basin behind Lock 11 was inevitable when Chowilla dam was created. The dam would virtually end the Murray flow at Lock 11 for the greater part of each year.

Another alleged expert said:

Chowilla dam would be a virtual plug, preventing new water flushing a high degree of salt content out of the Mildura basin.

As neither of these statements appears to correspond with information that has been given in the past, will the Minister representing the Minister of Works request that Minister to ask the Director and Engineer-in-Chief or some other appropriate authority to reassure the people in Victoria?

The Hon. A. F. KNEEBONE: Yes, I will be pleased to convey the question to my colleague and get an answer for the honourable member as soon as possible.

COFFIN BAY WATER.

The Hon. C. C. D. OCTOMAN: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. C. C. D. OCTOMAN: Residents of the Coffin Bay area have been informed unofficially that certain work is to be undertaken by the Engineering and Water Supply Department to supply water to certain building projects and properties of the Broken Hill Proprietary Company in that area. This water would have to be carried by pipeline about six miles and it is considered locally that a water main would be extended another mile to the Coffin Bay town area. As no definite informa-

tion is available on this question, will the Minister representing the Minister of Works obtain information as to the planning by the Engineering and Water Supply Department in this regard?

The Hon. A. F. KNEEBONE: Yes, I will be pleased to do as the honourable member has requested.

LEIGH CREEK HOSTEL.

The Hon. Sir LYELL McEWIN: Has the Minister representing the Minister of Education a reply to the question I asked last Thursday regarding hostel accommodation for children at the Leigh Creek school?

The Hon. A. F. KNEEBONE: My colleague, the Minister of Education, has provided me with the following report:

The matter of the provision of a hostel for children at Leigh Creek has received the consideration of Cabinet and a report on all aspects of the proposal has been called for from the Education Department. When a Cabinet decision has been made, the honourable member will be informed. In any case a hostel could not be provided for children for this year.

SANDY CREEK TO GAWLER MAIN.

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

Leave granted.

The Hon. L. R. HART: In the Loan Estimates presented to this Council on August 25 last year there appeared an item of £90,000 for duplicating portion of the existing water main between Sandy Creek and Gawler. This work is the first stage of a scheme to improve water supplies in the Two Wells and Virginia area. The need for an improvement in the water supplies in the area is very urgent indeed. Will the Minister representing the Minister of Works ascertain whether tenders have been called for the work and the stage the work has reached at this time?

The Hon. A. F. KNEEBONE: I shall be pleased to convey the question to my colleague and bring a reply back to the honourable member as soon as possible.

LAND TAX.

The Hon. Sir NORMAN JUDE (on notice): When will the new quinquennial assessment made pursuant to section 20 of the Land Tax Act, 1936-1965, be made available to landholders generally?

The Hon. A. J. SHARD: Notice was given in the *Government Gazette* of December 9, 1965, that the new assessment had been made and that the assessment book containing the

new assessment was deposited in the office of the Commissioner of Land Tax. In the terms of section 22 of the Land Tax Act the assessment book is open, free of charge, to public inspection. Notices to individual taxpayers will be sent out towards the end of March and early April.

SUCCESSION DUTIES ACT AMEND-
MENT BILL (RATES).

Adjourned debate on second reading.

(Continued from January 27. Page 3592.)

The Hon. S. C. BEVAN (Minister of Local Government): I support this Bill, as, indeed, I believe that all honourable members would expect me to do. In examining this Bill, I feel that much of the opposition that has been given to the Bill is on a general basis, because of statements that have been made by various people and organizations in relation to the Bill. Accusations have been levelled in this Chamber and in another place about statements emanating from the Government itself and members of the Labor Party being definitely misleading and, in fact, that this Bill is a fraud. Even the word "lies" has been used on various occasions.

A statement has been made by at least one honourable member in this place that because of this Bill the Government will be out of office by next September. Well, we shall see whether the Government is out of office by next September. In regard to this Bill, at no time has the Premier declared that it is such a vital issue that the Government will stand or fall by it. The fact that honourable members are attempting to create discord among the general public by making such statements as this only proves the falsity of their own statements that have been made in this Chamber.

In relation to the debate, the old bogey was raised (which the Commonwealth Government has used from time to time for the purpose of discrediting the Labor Party as a political Party) of the Party being controlled by faceless men. We have had the same comment made in this Chamber during this debate, and it was also said that the Government's arm was severely twisted by these so-called faceless men to introduce this legislation. That is far from fact, of course, and it is again an illustration of how far members will go with this propaganda.

We have had the position on a number of occasions during this debate of statements

emanating from members in opposition to this Bill regarding an advertisement inserted in the press by the A.L.P. to contradict statements which had been made by members of the Opposition. This advertisement seems to have offended some honourable members opposite because the contents of that statement emanating from the press itself were such that it was contrary to the statements which the honourable members themselves had been making in opposition to the Bill. It seems to me that they were very concerned with the statements emanating from the press, which was another instance of the belief that the members of the Parliamentary Labor Party knew nothing about this advertisement. Here again, this is contrary to fact, as I inform honourable members right here and now that I knew—and so did every other member of the Parliamentary Labor Party—that these advertisements were going to appear and the form in which they would appear well before they appeared in the press.

As a matter of fact, I personally had something to say about the propaganda that was going on outside in relation to this Bill. I said that the Labor Party itself should take some action to rectify misleading statements made not by members of the Government but by members of the Opposition in relation to this Bill. Members of the Labor Party and members of the Government knew perfectly well in what form the advertisement would appear well in advance of its appearance. It does seem to have got under some members' skin when they read that advertisement.

The Hon. Mr. DeGaris in his contribution to this debate has referred to the larger estate (and I use the term larger estate in referring to an estate of £50,000 to £60,000 which, in my interpretation, is not a small estate). He mentioned that a member of Parliament (and by that I construe that he means the ordinary member of Parliament) was far better off than a primary producer having an estate of £50,000 to £60,000. All I can say is that, even in my present position, I will gladly change my position with his if he has an estate of £50,000 to £60,000.

The commitments of an ordinary member of Parliament with a salary of £3,000 are, first, the member's own living standard together with that of his wife and family, and the education of his family. In addition to that he has various deductions made before he touches his salary, and all honourable members know that we have representations made to us by various organizations for donations that

take a fair amount of a Parliamentarian's salary. All these things come into it. What he is left with to put in the bank, as far as my own experience is concerned, is infinitesimal. Now let us look at the other side of the question and compare the living standard of a primary producer with an estate of £50,000. We agree that his living has to be provided from the estate. In addition to that, of course, the same provisions prevail. He himself has to make provision for the education of his children and provision for his family to the best of his ability. Subsequently he reaches a stage when he has to retire or, unfortunately, passes away. I readily agree that all his expenses must come out of his estate. However, if we compare the standards of living of both individuals used in the analogy that was made, I know in whose shoes I would rather be. Really, there is no analogy between the primary producer with an estate of £50,000 and the ordinary member of Parliament on a salary of about £3,000 a year.

The Hon. Mr. DeGaris was implying that the ordinary member of Parliament on a salary of £3,000 could bank much more money than the primary producer with an estate of £50,000 or £60,000 could.

The Hon. R. C. DeGaris: I did not use those words.

The Hon. S. C. BEVAN: These are not my words; these are the words the honourable member used when comparing the primary producer with an estate worth £50,000 with an ordinary member of Parliament.

The Hon. R. C. DeGaris: I said "£40,000".

The Hon. S. C. BEVAN: The honourable member said "£50,000". If he looks at *Hansard* he will find that the amount was an estate of £50,000, which he compared with the ordinary member of Parliament's salary of, I think, £3,100. When we use this comparison, I know whose shoes I would rather be in. People will find no imported cars in my backyard but they can see them in many other backyards, and these are provided for out of the estate—not out of the estate as such but out of the income from the estate.

The Hon. M. B. Dawkins: You have a black car, haven't you?

The Hon. S. C. BEVAN: When the honourable member, because of my being a Minister of the Crown at the moment, implies that I am supplied with a car (which is supplied for duties in connection with my work and not for my private life), we are coming back to the other side of it. Comments like these

are completely uncalled for. If the honourable member wants a plainer answer, I am willing to give it to him.

An unfortunate term has been used extensively as another criticism of this Bill—"the poor old widow". This expression has been used in debates on this Bill, and outside this Chamber, to describe the effect of this Bill upon a person referred to as "a poor old widow". We are supposed to draw our conclusions from that, that she is the average woman who, unfortunately, has lost her husband, who during her working life has scraped and saved and acquired a freehold home of her own and has an ordinary motor car in the backyard. It is suggested that this person will suffer considerably under this Bill. We all know that this is contrary to fact—because this "poor old widow" will definitely benefit under this Bill.

The Hon. R. C. DeGaris: All of them?

The Hon. S. C. BEVAN: In the circumstances operating at present. The honourable member says "all of them". The Government has at no time attempted to say that all persons will benefit under this Bill. At no time has the Government even implied such an effect. The Government does not intend to try to fool anybody by saying that this Bill provides concessions to everybody in respect of succession duties. We all know what indications have been given in certain sections as far as succession duties are concerned, and I make no apology for saying that. We know that that is the fact.

When one goes outside and uses the term "the poor old widow", it conjures up in the ordinary person's mind a thought of the widow of the ordinary citizen, the widow of the man who is working in everyday life and who, through his own efforts, has been able to freehold a property and accumulate a few pounds from his salary. The propaganda has been directed at these people in order to sow in their minds discontent with the Labor Government because it is increasing duties and charges all along the line.

We are just feeling the full effect of stamp duties that were inflicted not by this Government, but by a previous Government. When a Bill was before this Chamber on a previous occasion and succession duties were increased in order to bring in more money to the State Treasury to enable the State to carry on its business, we never had any of these comments.

The Hon. C. R. Story: What does the honourable member mean about stamp duties?

The Hon. S. C. BEVAN: Before March last, when another Government was in office, we did not hear any of these things, nor did we see any propaganda emanating from the members of the previous Government who are now in Opposition in relation to the increases. Policies that are now falling due for renewal are attracting the increased stamp duty fixed at that time.

The Hon. C. R. Story: What policies?

The Hon. S. C. BEVAN: I shall give the honourable member an instance. I carry an insurance policy in relation to my house and its contents. Last weekend I received a notification from my insurance company that this policy was due for renewal and a sticker was placed on the renewal notice, informing me that, because the Government had increased stamp duty, there was an additional charge of so much. This was not done by the Labor Government, yet some members of the Opposition (and I am not suggesting members of this Chamber) have said, "Here is another example of what the Labor Party will do." That is contrary to fact. Surely we can have some decency amongst us, and surely we ought not to come down to this sort of thing as far as propaganda is concerned.

In the debate on this Bill, the provisions relating to assurance policies have been mentioned and it has been said that the Labor Government is getting at the person who makes some provision so that, when he passes away, there will be some money available to meet succession duties. It has been said that, where a man takes out a policy in someone else's name but pays the premium himself, the value of the policy is taken into consideration so far as succession is concerned.

The Hon. R. C. DeGaris: Isn't that a loophole?

The Hon. S. C. BEVAN: The criticism previously has been about stopping loopholes, or tightening up the provisions, and the honourable member has interjected on the point that I am coming to. The person concerned can still pay the premium, but not openly to the insurance company in such a way that he receives the receipt in his name for having paid it. For instance, the wife could take out a policy. I propose to give an example, which I think is on the point that the honourable member has in mind. It is something that I had in mind, even before this Bill came before the Council. A person's wife can take out a policy, pay the premiums and hold receipts to prove that she has paid them. What is to stop the husband then paying back

to the wife the amount of the premiums that she has paid? In those circumstances, one has difficulty in proving what has been done. I think we all agree that it could not be proved.

The Hon. C. D. Rowe: Our complaint was that what a person acquires under an assurance policy is now aggregated with what is acquired in other ways, and there was no mention of that in the policy speech.

The Hon. S. C. BEVAN: It was intimated that a person who provides some coverage to meet succession duties by taking out an assurance policy will have the value of the policy treated as part and parcel of an estate and added so far as succession duties are concerned. There has been reference to the primary producer, so allow me to use that term. Where a primary producer himself takes out a policy, with his wife as beneficiary, and pays and continues to pay the premiums, the value of that policy is, under this Bill, taken into consideration in relation to the estate in arriving at succession duty, but there is nothing to prevent the wife from taking out an assurance policy in her name covering the husband but, in fact, not paying the premiums at all, they still being paid by the husband.

The Hon. C. R. Story: Wouldn't she be quizzed on where she got the money from?

The Hon. F. J. Potter: You haven't closed the loophole.

The Hon. S. C. BEVAN: I should be happy if the honourable member, with his legal training, would stand up and point out how we can.

The Hon. F. J. Potter: I thought you said you had done so.

The Hon. S. C. BEVAN: During the whole of this debate, only one honourable member has stood up and intimated that he does not intend to vote against the second reading of this Bill, so it seems to me that the attitude to the Bill is a foregone conclusion. Before the last election, it was said openly that the Labor Party in Government would not be able to do much, anyhow, because "we have the numbers in the Legislative Council". That policy has been enunciated, not only in the debate on this Bill, but also when other Bills have been before us.

The Hon. G. J. Gilfillan: Who said it?

The Hon. S. C. BEVAN: If the honourable member wants me to name the person on the floor of this House, I shall do so. There has also been mention of the division of an estate among the beneficiaries and it has been said that they would pay a higher rate because of aggregation. However, that is not so. The

claim has been that the value of the whole of the estate will be aggregated and that the tax, as such, will be levied upon that. Then, of course, the amounts would be aggregated to the various beneficiaries. This is contrary to fact and does not apply.

The Hon. R. C. DeGaris: When has that been said?

The Hon. S. C. BEVAN: It has been said here over and over again. Clause 7 came in for a fair amount of scrutiny by members in this Council. Under that clause, aggregation of all benefits applies to any one beneficiary and, as I say, it has been suggested that the benefits of any two or more beneficiaries will be added to determine the amount of tax that will be paid. However, the clause is definite and quite plain that it applies to any one beneficiary. If there is more than one beneficiary, it applies to each one so far as aggregation is concerned.

It has been said that this is the thin edge of the wedge, or whatever term one likes to use. These provisions apply so far as the Commonwealth and other State Governments are concerned, but they do not apply here and never have applied. There is no intimation in this Bill that they will apply.

The Hon. R. C. DeGaris: That is a matter of opinion.

The Hon. S. C. BEVAN: It is not a matter of opinion; it is a matter of common sense and of telling the people the truth. This Government has no intention of doing what is done in the other States or by the Commonwealth Government nor will any clause in this Bill have the effect that has been alleged in this Chamber. Then, some Opposition members have complained that a special concession deduction for primary-producing land does not extend to cases where the land is held by partnership, is jointly owned land or owned by a company. These exclusions were made by the previous Government, not by us. There have been complaints by members that the Bill does not provide special exemptions.

The Hon. R. C. DeGaris: The exemptions have been removed.

The Hon. S. C. BEVAN: No. The exemptions did not apply because they were removed, if the honourable member wants to use that word, by the previous Government. When they were removed members opposite did not complain, but they now complain that under this Bill the Government is not making any special concessions to primary producers. The present Government believes that to give further concessions in this way would not be pro-

per, because they would not relate to all people. Statements have been made about the disposal of property. Where a property is disposed of 12 months prior to death the value of the disposal does not come into the matter of succession duties. I agree that where a person has held an estate all his life and provided for its disposal in a will the present provisions should remain, and they do under this Bill. We have had suggestions that because a person wills his property to several people there should be an exemption. There is no exemption at present, so why include an exemption merely because there has been a change of Government?

I thought that I should answer all the complaints that have been made. Earlier, I did not intend to take part in the debate. The Bill can best be dealt with in Committee. It is suggested that because it is a money Bill this Council cannot amend it, but the Council can suggest amendments. Most members have indicated that they will vote against the second reading of the Bill, so I thought it proper to join in the debate now and give my views. The Bill makes adequate provision for the whole State, and not one particular class. It gives a benefit to most residents in the State and because of that I shall certainly support it.

The Hon. F. J. POTTER (Central No. 2): I have listened with much interest to the speeches that have been made on this Bill, and I have read with interest the comments made by people in statements that have appeared in the daily press. I listened with particular interest to what the Hon. Mr. Banfield said last week. Apparently he is under the impression that the Bill is Labor's gift to widows and primary producers. The Bill has been variously described by members and in the press as a vicious and unfair Bill, one that is destructive of the people's incentive to save. It was said to be an object lesson in the art of trickery, and one well-known gentleman described it as "crook". In my opinion the Bill is all of these things. All the criticisms are true, but I think the Bill is something more—it is a curious Bill completely misconceived and the result of some muddled thinking on somebody's part. The wording of the Bill is much the same, in most parts, as the wording of the existing legislation. Various passages bear a resemblance, but when members carefully examine the Bill as a whole they see it is a strange Frankenstein monster of a Bill, and a weird collection of things stuck together to give the impression that

the thing is a unified whole. A close examination of the measure will show just how bad it is. Because of that, apart from any other criticism, I think it is the kind of Bill that this Council as a House of Review should not accept. I have said there has been much criticism of the measure, and wide examples of its impact on various kinds of estate have been produced. In this regard I pay a tribute to the Hon. Mr. DeGaris for the considerable time he must have spent in examining the effects of the Bill. I think the examples he gave were excellent and were a critical summary of the Bill's effects.

In the daily press last week was a statement by the President of the Chamber of Commerce (Mr. Macklin), and it was an excellent comment on the Bill. I shall refer to it later because it touches a vital matter to which little attention has been given by members. Coming back to the examples and figures given by the Hon. Mr. DeGaris, I suggest that these, and those given by other members, show the weird and curious results that will arise if the measure ever operates, and I detected, even as the Hon. Mr. DeGaris was making his statement, that he himself seemed to be surprised at the results he was getting in the very wide analysis that he made of the estates he examined. He felt he was getting some strange results when applying the formula under this Bill to the existing legislation.

I suggest that the reason for the strange anomalies produced by this Bill is that the Government has not realized just what it is doing when it brings down a Bill in these particular terms. This, however, is not unique in this Parliament, and perhaps later on today we shall be discussing another Bill that shows that the Government does not appear to know exactly what it is doing.

This Succession Duties Bill is not merely a Bill to grant further concessions. The Labor Party keeps on hammering away at the tables and saying "Look here, these are concessions that we are granting. This is what we propose." Government members seem to think that the tables at the end of the Bill are the vital things but, of course, this is not so. It is true that we could all agree that the tables, merely looked at as tables and compared with the existing tables do, in fact, grant some concessions but the important thing in this Bill is not the tables at the end of it. The core of the Bill is in the body of it—the concept that there shall be an aggregation of certain successions and an aggregation of property. I would say that we must not

just look at the tables, as these are the things that the Labor Party and the members of the Government are continually waving in front of us; we have to look at the Bill and the rebates that the Bill provides. Certain examples that can be worked out following the effect of the Bill show that there are some very strange things that can happen. A lot has been said about the poor widow and the suggestion that we are holding her up as an example.

I would like to say something about the widower and how he will be affected under this Bill. Let us take the case of an ordinary widower, perhaps a railway worker, who inherits, say, £1,679 cash and other assets from his wife and a joint interest in a house property worth £4,500, so that his half interest in the property would be worth £2,250. Under the present legislation that widower would pay £38. Under the new Bill he pays £140, an increase of 268 per cent, so it can be seen that this Bill can turn up some pretty weird examples. On the other hand, a succession of £30,000 to a nephew shows a reduction in duty of 2 per cent. That is a strange situation if ever one existed.

I would like to compare another strange circumstance that arises and then I will leave examples as we have had enough of them from other honourable members, but we cannot get away from the fact that examples are the things that are important. Now let us take the case of a man who is a civil servant and who has a house property worth £5,500 in joint names, and other property worth £10,000. It is all very well for members of the Labor Party to say "This is not a typical case", but it is not far from being the situation which exists in many estates for, if a man has a motor car worth £1,000 and some other assets, and if he has some furniture in the house, his assets can easily add up to £10,000. Honourable members will probably remember that I was unfortunate recently to be the victim of a fire, and I was staggered to know how under-insured I was regarding the contents of my house. It is not very difficult, with a television set and perhaps a radiogram, carpets on the floor, and a few other things to add up to £1,000 for furniture alone. That person could have, say, a couple of thousand pounds in the bank and perhaps an insurance policy of £5,000 (which today is analogous to a £1,500 insurance policy our fathers may have taken out). I do not know, as I have not any figures in front of me, but I would think that if a man took out a £5,000 whole-of-life policy when he got married in his early twenties, that

policy would not cost any more than £1 a week to pay off.

The Hon. C. R. Story: I think it is about £62 a year.

The Hon. F. J. POTTER: It is about that, anyway. It is quite possible that a public servant could have an estate of that kind. Coming back to my example, if he has this house property of £5,500 and £10,000 other property, under the existing legislation he pays £825 in duty and under the new Bill £843 15s., which is only an extra few pounds, and probably no-one would be very perturbed about that. However, let us consider the case of a man who is slightly up the scale with exactly the same kind of ordinary estate of £10,000 but who is living in a slightly better suburb (perhaps the difference between living at Edwardstown and Netherby). Let us assume that this particular house property is in joint names, and that its value is £8,000 (and I can assure honourable members that that is not an unusual house, say, in the suburbs of Netherby, Hawthorn or in that particular district). In those circumstances a widow under the existing legislation would pay £825, but under the new legislation would pay £1,300 and the only difference between the estate of the man living at Edwardstown and the man living at Netherby is a slight difference of £1,250 in equity.

The Hon. R. C. DeGaris: It could be the same house, but in different areas.

The Hon. F. J. POTTER: Yes, it could be exactly the same house but in different areas. Why is it that these strange anomalies have crept in? As I have said, it is because this Bill is not a Bill merely to grant further concessions and lift rates on larger estates, which has been put to us—

The Hon. R. C. DeGaris: Would you agree with the rather fantastic statement that 70 per cent of inheritors will be denied benefits under the Bill?

The Hon. F. J. POTTER: No. That is a nonsensical statement. I think the honourable member dealt with that in his speech. It is a meaningless statement. This is a Bill to bring an entirely new concept of succession duty to this State. Death duties are a subject that has long engaged the attention of economists, particularly those with Socialistic tendencies and views. Many books and chapters in books have been written about death duties and their incidence on the population, and how they should be dealt with by the Government. Some economists have seen the imposition of duties as a means of bringing about the great class-

less society, because it must not be overlooked that death duties, whatever form they take, are not paid once and for all on a particular inheritance: the imposition of these duties goes on from generation to generation.

For example, if I inherit a property from my parents, duty is exacted at that time when I inherit it from my parents. I get the property and on my death it is aggregated with what I have amassed in my lifetime by my own efforts, and duty is paid again on the combined sum—what is left of my inheritance and what I have added to it by my own labours. Some economists have said that it is probably a good thing to tax all inherited property completely out of existence in two or three generations. I do not know whether or not anybody has ideas along those lines but I point out that this subject has engaged the attention of economists in the past and no doubt will in the future but, if one looks also at textbooks on this subject, one sees that it has always been recognized by writers on the subject that succession duties are different from estate duties.

When this Government assumed office, I with many other honourable members expected that duties and taxation would rise. Anybody who had read the ill-considered and rash promises made by the Labor Party at the last election (plus a few more made since) realized that it would not be long before we had some sort of Bill along these lines being presented; but it seems to me that, although an increase in succession duties was recognized as being inevitable, the Government has still not got its thinking straight on this matter. Here, I should like to return to what Mr. Macklin said in his article. I will not repeat it all, because I think he has made the vital point in his article. He said:

Death duties can take two forms—either as succession duties or estate duties.

Then he says:

It is quite futile to compare the effects of the two.

He goes on to say:

One typical feature of an Estate Duty Act is the aggregation of tax artificially into a man's estate on certain property he has disposed of in his lifetime but with some strings attached. This artificial principle has never been applied before to a succession duty and is completely foreign to it.

There is a fundamental difference between estate duty and succession duty. In the matter of an estate duty, of course, the State takes a proportion of a man's property that he leaves on death, whereas in succession duties a sum

of money is claimed and exacted from the person who succeeds to the estate.

Various consequences flow from this distinction between what is estate duty proper and what is succession duty proper. For this reason it is necessary to look closely at what this Bill does, because the philosophies behind the two distinct methods are quite separate. The differences are fundamental. Of course, it is true (and I think this point has already been made) that succession duty is a fairer method, because we are able to make a much fairer adjustment to the needs of the dependants of the deceased—something that we cannot do in estate duty, where we can only vary the total slice allowed as an exemption for all purposes. I want to come to a point that I feel has not been sufficiently stressed: that this Bill is an attempt to introduce estate duty principles into a Succession Duties Act. I say definitely that we cannot have both in the one Act. We can have a Succession Duties Act if we want to and we can have an Estate Duties Act. We can even have them both (perish the thought that that should ever happen here!) but we cannot have them both in the same Act without getting some strange results, and some unfair practices resulting.

If we look carefully at this Bill, it appears to me that somebody in the ranks of the Government has made a suggestion that we want to have an estate duty in this State; but apparently the Government does not want to do it in one fell swoop: it wants this estate duty somehow or other to masquerade as a succession duty. I do not know how this Bill originated. It may well be that the Draftsman misunderstood his instructions, because, if we look at the Bill, it seems that all that has been done here is to take out from the old provisions of the Act those sections dealing with succession to property, which was separately assessed, throw them all into the aggregation provisions of this legislation and say, "There you are; that is what it was. We will throw them all into the one pool." Then this step revealed a difficulty to the Government, because some attempts had to be made to give rebates in respect of harsh positions that arose in connection with a matrimonial home. Because this process seems to have been adopted and it has all been thrown into the one net, some very strange results accrue, and it is necessary to look carefully at the provisions of this Bill, because it is technical. We have to watch them carefully, particularly as far as settlements are concerned—property that passes other than by will.

Already some technical amendments have been made in 1963 to this Act by the previous Government, and we have to appreciate their effect. If one feels that estate duty is the right thing, then of course he can look at the Commonwealth Act—because there is a Commonwealth Estate Duties Act. That Act deals with property that can be comprised in a settlement made by a deceased person, in which the deceased person (I emphasize that) had an interest of any kind, as part of the notional estate. There is a proper part to be played by the doctrine that we add back into a person's estate that notional part of the estate that he may have disposed of during his lifetime. This is frequently done under the Commonwealth Estate Duties Act. It is not unreasonable and I would not oppose it, but I stress that in the Commonwealth Act the notional property that is added back into the deceased's estate is property in which he had an interest of some kind in his lifetime, and this is deemed part of his notional estate.

If the deceased had any interest in a settlement executed by somebody else, then that property is not deemed to be part of his notional estate unless he had disposed of his interest within three years of the date of his death. Then, for estate duties, the amount included is only the value of the interest that he surrenders. The conditions precedent in the estate duties legislation to which I have referred, the aggregation of settlements, are that the property to be aggregated must be property settled by the deceased in which he retained an interest, or the beneficial interest in an estate created by somebody else, but only to the extent that he surrenders it within three years.

This Bill and the implications that arise from throwing all these provisions in together is taking the principle of aggregation further than anything that occurs under the Commonwealth estate duty legislation. It carries it further by aggregating property that never was the deceased's and in which he, perhaps, never had anything but a limited interest. Other provisions even include property in which he never had any interest. If I make a settlement on my children but reserve a life interest during my lifetime, then I suppose it could be fairly said that on my death, when my life interest in that property ceases, the interest that my children take under the settlement should be aggregated with what else they get from me under my will. I suppose that that would be in accordance with the proper principles behind estate duty and it probably

could be said to be reasonable enough, even under succession duty, provided it was separately taxed.

However, if my father or father-in-law settles property on my children and leaves a life interest to me, so that my children succeed to the capital after my death, under this particular Bill the property that these children derives from my father or father-in-law is added to what they get under my will. There is no justification for this and it never could exist, even under the Commonwealth Estate Duty Act, but it exists under this Bill.

That is one example of how the Government has been, I think, guilty of muddled thinking about the way this Bill has been put together. Here we have not only my property that is being caught in a succession, but also property that belongs to and has been left by somebody else to my children and in which I had nothing else but a life interest. This Bill even goes further, so that where a trustee is acting in an estate, by doing certain things in relation to that particular estate, he can prejudice the beneficiaries under his own will.

This is an estate duty Bill, and a funny concept of estate duty legislation masquerading as succession duty legislation. That this is true is shown by the attitude of honourable members opposite, because we have heard from the Hon. Mr. Banfield last week and from the Hon. Mr. Bevan this afternoon that the existing Act is full of loopholes. When I asked what the loopholes were, it appears to me that the only thing they were saying was that there was separate assessment under the existing succession duties legislation on certain interests, and this was unwarranted. This is true, because the Hon. Mr. Banfield said (and I took down what he said) that, at the passing of the Act, these things were not intended, and that it was only later that they were discovered.

I say that this separate assessment of property is an integral part of the concept of succession duty. It was always meant that property derived from joint ownership or, as in the example I gave, property going direct from my father or father-in-law to my children, with a life interest reserved to me, and property that derives as a result of the proceeds of an assurance policy, were to be separately dutiable. For Government members to suggest that they are loopholes is, I suggest, completely ludicrous. As an integral part of the concept of succession duty they are available to rich and poor alike. Believe me, Mr. President, these methods of holding property are widely spread in the com-

munity, to the extent that even the ordinary working man is cognizant that he has some advantage under the succession duty system when holding a property with his wife in joint names, and taking out an assurance policy.

The Hon. Mr. Banfield accused the Opposition in this place of denying to widows and children the advantages of the Bill. He accused us of desiring to throw out the Bill, and with it advantages to widows and children. I think that situation was clearly answered by the Leader of the Opposition when he said, "This Bill should be withdrawn and redrafted." I emphasize that it should be redrafted along proper lines so that we shall still have the concept of succession duty. If that were done the Council would give such a measure proper consideration. I was pleased to hear the Hon. Mr. Bevan say that the Bill will not be regarded as a vital issue. I think that is probably true, because if the Bill is rejected by the Council it can have no effect on the Budget for this year. We are already in February and the Bill has not yet been passed. Even if it were passed today it would have only a minimum effect upon the Budget for this year, because the estates of people who die after the Bill comes into operation would not be dealt with before June 30 next, so there can be no suggestion that we are hypocrites on this score. We say that the Bill should be redrafted. Everything should not be thrown into the one net. The Bill should only deal with matters associated with succession duty.

There was much talk about the famous advertisement that was inserted in the daily press by the Labor Party on this matter. Apparently from what the Hon. Mr. Banfield said, it was inserted to tell the people the truth. He held it up as a shining example of the truth and said that everybody ought to know more about the succession duty proposals. It seems to me that there is only one effective answer to the members of the Labor Party who tried to woo the people with such an advertisement. Perhaps the people should take up the same sort of attitude as was taken up by Eliza Doolittle in that well-known play *My Fair Lady*. She sang a song that contained these words: "Tell me no lie; read me no rhyme; don't waste my time; show me!" Every elector in this State should say to the Government, "Show me how this Bill affects me and show me how I am getting advantages".

It seems to me that in all the propaganda put out by the other side, like squawky old parrots, they say three things—the Bill gives

concessions to smaller estates, the Bill closes loopholes and the Bill taxes higher estates. It is certainly not true that the Bill gives concessions to all smaller estates. It gives concessions to some, but not all, and it imposes a duty at a heavier rate with the result that in some instances high amounts of duty are paid. There are no loopholes that are dealt with in the Bill, which are not integral parts of the concept of succession duty. The Bill does not tax higher estates. It taxes higher successions at higher rates, which is not synonymous with higher estates. I feel that for the reasons I have given, and particularly for the reason that this is a misconceived Bill, all members should reject it. I shall certainly have no hesitation in voting against the second reading.

The Hon. C. M. HILL (Central No. 2): I am pleased to be able to speak on this measure, for it is the first occasion I have had to speak in this Council. Because this Bill was the main issue at the time of my election to this Chamber late last year, I had ample opportunity to hear what people in Central District No. 2 said about it. The points raised by some people and rejected strongly by most members in the District were the points that have been raised during this debate. I do not intend to repeat them unduly, because they have been discussed at length already. However, briefly, there was the matter of the retrospective effect of the Bill. People strongly objected to that, and together with that feature was the feature of aggregation as applied to estates. Under this heading comes the point about a life assurance policy being taken out for the purpose of paying death duties. Only families in which wives are wealthy and have the means to pay the premiums themselves will, in future, be able to exclude such policies from the provisions of the legislation; in all other cases the policies will be lumped together with the rest of the estate. People have taken out these policies because they have had faith in the law and trust in those who make it, and strong objection was raised during the election campaign to this change brought about by this Bill. Another objection raised was that this was the thin end of the wedge concerning estate duties replacing succession duties. Although the Minister has assured us that this is not so, the public is sure that it is, and thinks that it is highly dangerous.

Apart from these main points, I add three personal observations; the first of which is that in my view as a new member the Bill is too complicated, confusing and complex. It

can immediately be said that I find it so because of my inexperience but, although some Bills must be technical, I think it is a general principle that the average reasonable and sensible man in the street ought to be able to understand all legislation that is passed. I do not think the average man in the street has a hope in life of understanding this Bill, and there does not seem to be any need for it to be so confusing and complicated. If there was a need for it, perhaps it could be excused, but to prove that there is no need for it I refer back to the mandate of the Government. It seems that the Labor Party is unyielding in its attitude towards its mandate, so it is necessary to relate once again the three points mentioned in the policy speech of the Premier last year. He said that there would be an exemption of £6,000 on estates inherited by women and children, that a primary producer would be able to inherit a living area without the payment of any succession duty being involved, and that a much greater rate of tax would be imposed on the very large estates. If these three promises alone are to be implemented by the Government, it is not necessary to change the legislation in the way this Bill changes it and makes it so complicated—and it has been made confusing by the introduction of matters which were not mentioned in the policy speech and which the people did not approve when they brought the Labor Party to Government last year.

My second personal observation concerns the method by which increases in succession duties, and incidentally in other taxes, in the past year have been justified by comparing our rates with rates paid in the big States of Victoria and New South Wales. When the Chief Secretary gave his second reading explanation of this measure on November 24 last, he made considerable reference to this point. He said that for the year 1964-65 succession duties in this State amounted to about 63s. a head and then said that the comparable revenues in other States were—Queensland, about 62s.; Tasmania, about 55s.; Western Australia, about 38s.; New South Wales, about 92s.; and Victoria, about 100s. He then averaged out the populations in other States (Victoria and New South Wales, of course, have much greater populations than the other States) and said that the average in the other five States of Australia was 84s. a head and that the rates payable under the Bill would mean that the payment would be less than 80s. a head in this

State. Instead of proving that 80s. a head was reasonable he proved that the figure was high enough as it was, as surely we must be grouped with the four smaller States in matters such as this, and in all of those States the figure is lower than ours. What justification is there for saying that, because the average of all other States, lifted as it is by the two big States, is 84s., we have not very much to worry about because the figure here will be about 80s.? It is tragic to throw overboard all our low-cost structure, which is a factor in the economic life of this State. This will do great harm. Over the last 12 months it has done great harm, yet the people who have been responsible for doing it have said, "You have no need to worry because we are not paying as much as others", or, "We are paying only as much as people in wealthier States." The people in those States can afford to pay higher taxes.

Although this is a capital tax, it will increase costs, because those involved in production, when having to pay higher duty, often have to borrow money for that purpose. When they go to financial institutions they have to pay interest on their borrowings, and the payment of interest increases their expenses and cost of production. I take exception to justifying this measure on the basis that it compares with the position in New South Wales and Victoria.

My last point concerns a relatively simple example. I shall quote only one example, because I know that many have already been quoted and that some amazing results have been shown. I take a case that I think is reasonably common, although perhaps not typical, in the southern or eastern suburbs of Adelaide, which are included in my district. My example concerns the man who has £10,000 of other property and a house valued at £9,000 in the joint names of himself and his wife. When he dies the succession to his widow will be £14,500. Surely this estate does not fit into the category of the very large estates mentioned in the mandate. After all, people involved in city endeavour, in industry or commerce, who have saved, lived carefully, conducted their affairs thoughtfully, taken out some life assurance, perhaps acquired a small investment or two during their lives, and have a little money in the bank, a motor car, and furniture and effects have property that can easily amount to £10,000 in value. Many houses in the areas I have mentioned are worth £9,000 and, if they are not worth as much as that now, it probably will not be many years

before they will be, because generally speaking land values are rising all the time. In this case a widow would pay £825 succession duties under the existing legislation on the decease of her husband. Under the proposed Bill her tax goes up to £1,343 15s., which is an increase of £518 15s., or 62.9 per cent. Where is the mandate for that? How does the Government think it has the right to increase the duty on an estate of this size by 62.9 per cent or from £825 to an amount of £1,343 15s.? I cannot see that it has any right to do that, and I think it is harsh and unjust to attempt to do so. If there are any lingering thoughts in anyone's mind that that is not an estate of moderate size, perhaps we can think for one moment of the position of the widow after her husband's death.

Allowing her the right to live in the home in which she has resided for many years, and the right to endeavour to hold on to the family motor car (and, of course, that she cannot liquidate furniture and effects and assets of that kind), after she has paid the expenses relative to her husband's death, she has in the vicinity of £6,500 to invest, and, at the rate of 7 per cent (which is a reasonable rate) she is left with an income of £455 a year, or £9 a week. If we consider her living expenses in an endeavour to maintain something of the same standard she enjoyed before the death of her husband, surely it cannot be claimed that she inherited a large estate. It is a moderate estate, and as a moderate estate it has been taxed without notice and without any other advance publicity by the Government. It has been taxed by this increase of 62.9 per cent, to which I object.

I cannot support this measure. However, I would support a simple measure to provide concessions to widows and children as promised in the policy speech and also concessions to primary producers as promised in the policy speech, and I would not object to an increase in rates on very large estates as stated in the policy speech, provided, of course, that the increase was within reason.

The Hon. A. J. SHARD (Chief Secretary): First, let me take the first opportunity I have had to welcome the Hon. Mr. Hill to this Chamber. I hope he will find his seat comfortable and be happy with us. I can assure him that it is my policy to be of assistance and give all the help I can to a new member of this Council. Secondly, I congratulate him on the excellent manner in which he delivered his maiden speech this afternoon. One does not have to agree with everything that a member

says, provided it is said properly, to enjoy his speech, and I think I can say that all honourable members will join with me in saying that the honourable member delivered his speech in the manner of a member who has been here a lot longer than he has. On behalf of my colleagues I sincerely congratulate Mr. Hill on the work he has put into his speech.

It is not my intention to take a long time in replying to the second reading debate on this Bill. It is usual for a Minister when speeches are concluded in this Chamber to thank honourable members for the time they have put into preparing their speeches and the efforts they have made. Every member must know (and I feel sure we can all agree on this) that the work the various honourable members have put into their speeches must have been considerable. However, I am afraid I cannot say that the debate has been conducted in a very friendly manner, or in the happy atmosphere one is used to in this Chamber, and for that reason I want to make a few remarks and say I was perturbed by the way this debate progressed.

The debate on this Bill could be separated into three parts. It was introduced on November 24, 1965; the second reading speech was heard in complete silence, and, with the speeches by the Hons. Mr. Rowe, Mrs. Cooper, Mr. Story and Mr. Octoman made prior to Christmas, the debate went along on a very even keel. Those members did not agree with the Government's point of view and never supported our Bill. That is their right, and it is their duty to the people they represent. One does not take any exception to that. There were a few minor interjections of a helpful nature here and there, but there was no extravagant language or verbiage.

Unfortunately, we now come to the debate of last week, when things were not quite as good. The Hon. Sir Lyell McEwin started off the debate. It is not often that I criticize him, but on this occasion I do not know whether he forgot himself for a time. I am not going to quote much of his speech, but I think it is important that members' attention should be drawn to certain parts of it. It is perhaps unfortunate that he started off, "That advertisement did not present an honest picture and only highlighted the extremes to which the faceless men who twist the arms of the Government are prepared to go to gain their objective." Later he said, "If it is divided equally among the beneficiaries they

will pay a higher rate because of the aggregation. I repeat that the whole Bill is a fraud." That is pretty strong language, and I want to say that I regret his using those words, as I want to pay this compliment to him: I do not often throw bouquets, but I thought it was the best speech I have heard from Sir Lyell McEwin since he has been the Leader of the Opposition. It was made in a forthright manner and it was an excellent speech from his Party's point of view. The result of it came out in the *Advertiser* the following day under the heading "Death Duties Bill a Fraud." However, his speech was spoilt by very extravagant verbiage, which is very unusual in this Council. I do not know whether honourable members want me to go any further than that. If the Bill was a fraud, it may have been inferred by the public that the Government was a fraud. Let me say frankly that I am not a fraud and I do not think any of my colleagues are; and we are certainly not dishonest.

The Hon. R. C. DeGaris: Then you do not understand the Bill, in that case.

The Hon. A. J. SHARD: I paid the honourable member the courtesy of sitting in complete silence while he spoke. I hope he will pay me the same courtesy, and we shall not be delayed.

The Hon. C. R. Story: Don't ever do that to me!

The Hon. A. J. SHARD: I shall have something to say on that directly. I paid nearly every honourable member the courtesy of hearing what he had to say; I took the verbiage used without replying. If any honourable member doubts that, let him look at the speech of the Hon. Sir Lyell McEwin, where he will see there was not a single interjection by me. Perhaps I could have interjected then but I am replying now because I think this is the correct time to do so. The debate then went to Mr. Gilfillan, to Mr. DeGaris and to Mr. Hart. The only point I want to make there is on Mr. DeGaris's comment on the unfortunate interjection by Sir Arthur Rymill.

The Hon. Sir Arthur Rymill: It was not unfortunate at all.

The Hon. A. J. SHARD: From my point of view it was, because it is not very often that the honourable member makes these mistakes.

The Hon. Sir Arthur Rymill: I did not make a mistake.

The Hon. A. J. SHARD: I think I interjected last Thursday that I was convinced that what was attributed to the honourable member was not correct. I sympathize with Sir Arthur

on this, because I have been caught in a similar position to the one he was in last week. It is bad from our point of view when it goes out like that. I do not blame the Hon. Mr. Banfield for putting the interpretation on it that he did. Honourable members can easily read it, and the press put the same interpretation on it.

The Hon. Sir Arthur Rymill: It would have been an awfully stupid thing if I should have thought what was alleged by the Hon. Mr. Banfield.

The Hon. A. J. SHARD: I know that; it is unfortunate. Then we came to the day when the Hon. Mr. Banfield spoke on the Bill. In the long time that I have been in this Chamber I have never heard any honourable member make a speech under the conditions under which the honourable member had to make his. Interjections came from all and sundry and the debate reached this stage:

The Hon. D. H. L. BANFIELD: The primary producer also receives taxation concessions on considerable portions of his income to encourage him to make a greater productive effort. So he gets a big crack of the whip.

The Hon. A. F. Kneebone: He gets his motor car cheaply as well.

The Hon. D. H. L. BANFIELD: Yes.

Then you, Mr. President, came to Mr. Banfield's assistance, when you called "Order!"

The PRESIDENT: Order! The honourable Minister can only object to any call to order by the President forthwith.

The Hon. A. J. SHARD: I am not objecting to it; I am saying that you, Sir, came to Mr. Banfield's assistance. To make it doubly clear that I am not objecting I will read those words again:

The Hon. A. F. Kneebone: He gets his motor car cheaply as well.

The Hon. D. H. L. BANFIELD: Yes.

The PRESIDENT: Order! Honourable members must not interject while the Hon. Mr. Banfield is speaking.

I make that point to prove that the interjections persisted so much that you, Mr. President, had to come to Mr. Banfield's assistance from the Chair. I am not criticizing that at all: I am only saying that that is how the debate went on. In the speech of the Hon. Mr. Dawkins some words used were, if not unparliamentary, close to it:

After all is said and done, the Labor Party has the effrontery to put it out that during the last 10 months it has sought—and it is doing a wonderful job, according to the Chief Secretary—to rob the people of South Australia of £5,000,000 and more.

I still stand by that. If we wanted anything that we could take exception to during the debate, I know of nothing better than these words.

The Hon. M. B. Dawkins: It was in answer to your advertisement.

The Hon. A. J. SHARD: You said that we robbed the people of £5,000,000. Again, it goes out—

The PRESIDENT: I must call the Minister to order. He must not exhibit that material.

The Hon. A. J. SHARD: The honourable member said that we were robbing the people of South Australia of £5,000,000 and, if that is not unparliamentary language, I do not know what is. Again, I say that I am not a robber; neither is any of my colleagues.

The Hon. S. C. Bevan: That may have been one of the people who had to pay a few bob under this Bill.

The Hon. A. J. SHARD: That is all right. It was by increased taxation. One of the reasons why we have had to increase taxation is that the previous Government never at the correct time increased taxation and charges. We will not go further into that now. I wonder what Mr. Dawkins said when income tax last year was increased by 5 per cent by the Commonwealth Government? Would he have said that the Commonwealth Government had robbed the people of Australia of so many million pounds? That is it. That is what we have to take and that is what was said in this Chamber by certain honourable members. I hope we do not hear much more of it, because I do not think it is good. I want to make one or two other points before I reply to the arguments of honourable members. We have heard a lot about this advertisement, because the Australian Labor Party published it.

The Hon. M. B. Dawkins: To stop the Liberals from robbing you. That is what you finished the advertisement off with.

The Hon. A. J. SHARD: That is outside and not in this Chamber. What is so wrong with that—a Party inserting an advertisement presenting its point of view to the public if it feels that the Party's point of view or the Government's point of view has not been put properly before the people? Often I look at the full-page advertisement inserted by the Liberal and Country League Party in the paper at the weekend.

The Hon. L. R. Hart: It is good reading.

The Hon. A. J. SHARD: It is not always truthful, either. I want to refer to one that

I saw just after I took office. One section of it attacked the Hospitals Department. I think most honourable members know the advertisement to which I am referring.

The Hon. C. R. Story: Was not that in the weekly comment? It was not in the big advertisement.

The Hon. A. J. SHARD: No—a full-page advertisement.

The Hon. C. R. Story: Was not that in the weekly column given to each Party?

The Hon. A. J. SHARD: On reflection, I think the honourable member may be right, but we know that the article was there. I am sorry; I was speaking from memory and I thought it was in the weekly advertisement. It was in the commentary.

The Hon. C. R. Story: It was in the free weekend commentary given to both Parties.

The Hon. Sir Arthur Rymill: The article last Saturday said we were docile.

The Hon. A. J. SHARD: It is not only one Party that publishes these things. That one Party, if it was done, told untruths, because the article referred to was totally untrue.

The Hon. R. C. DeGaris: You still have not answered the question: do you still believe that the advertisement was completely factual? I am interested in your opinion.

The Hon. A. J. SHARD: I have heard a lot about that advertisement. I have never read it and do not know whether it is true or otherwise.

The Hon. C. D. Rowe: Your colleague said today that it was discussed in Cabinet.

The Hon. A. J. SHARD: What was actually in the advertisement was not discussed in Cabinet. Cabinet discussed whether we would request the Party to insert the advertisement. It may be to my shame, but I have not read the contents of the advertisement. Last week I said to my friend the Hon. Mr. Banfield: "Don't go home without giving me a copy of the advertisement." However, I never got it and have not seen it.

The Hon. S. C. Bevan: The intimation was that we did not know anything about it. There was talk of the faceless men, whoever they may be.

The Hon. A. J. SHARD: I want to reply to what was said last Tuesday, commencing with what the Hon. Sir Lyell McEwin said. I think that the reply I shall give relates generally to all that was said. To be fair to the Opposition, I think all their speeches contain somewhat similar thoughts and a somewhat similar line of argument. In

order to get some official and authentic reply, we had something prepared and I think it meets all that has been said. The honourable Sir Lyell McEwin is incorrect in his statement that, if an estate is divided equally among the beneficiaries, they will pay a higher rate because of aggregation. The aggregation proposed in the Bill under section 7 is aggregation of all benefits to any one beneficiary. There is no provision for adding the benefits of two or more beneficiaries to determine the rate of tax.

The Hon. Sir Lyell McEwin: That was never said.

The Hon. A. J. SHARD: Read your speech. The South Australian provision is to remain a succession duty provision. The Commonwealth and other States do add together all benefits to all beneficiaries from an estate and thus provide for an estate duty. This departure is neither proposed nor subsequently contemplated by the Government.

I do not mind what anyone thinks, but, while I remain a member of the Government, we will stick to that. This departure is neither proposed nor subsequently contemplated by the Government. I make that quite clear. Honourable members are entitled to think what they like, but I make that statement on behalf of the Government and would expect the Government to honour it. I cannot say any more than that.

The Hon. G. J. Gilfillan: Does this still apply to the Party?

The Hon. A. J. SHARD: I am talking about the Government while I remain a member of it, and you know me well enough to understand that. The Bill does not deal with any complete disposals of property made by a person more than a year before his death. They are not subject to the present Act nor to the Act as it is proposed to amend it. But if that person keeps control of his property throughout his life, enjoys the benefits of it, and can change the eventual manner of disposal of it, then it is proper that any arrangements he may make for disposal upon his death but which are not effective until then should continue to be dealt with by this Act.

The Hon. Sir Lyell McEwin: I think we have read that in the advertisement.

The Hon. A. J. SHARD: I said that to get it in *Hansard*. The Bill does not make any disposal subject to succession duty that is not already subject to duty, but it does call for aggregation of all benefits to any one beneficiary to determine the rate of tax and

the effective exemption. Without this a person could in certain circumstances get two, three, four and possibly even more exemptions of £6,000 by a variety of means of disposal of an estate. Further, by a splitting up of benefits to one beneficiary, a lower rate of tax can at present be secured.

Sir Lyell has complained that the special concessional deduction for primary-producing land does not extend to cases where the land is held by a partnership, as jointly owned property, or as a company. He should be reminded that these exclusions were made by the previous government of which he was a leading member. Further, in the opinion of the present Government, they are proper exclusions, for the placing of land in the hands of a private company or in joint ownership will ordinarily have been done to avoid some measure of State and Commonwealth tax, including succession and estate duties.

To give a further concession in succession duties in such cases is certainly not proper. Sir Lyell has grossly exaggerated the position with insurance policies. An ordinary insurance policy of the deceased belongs to him, forms part of his estate, and has always done so. At present an insurance policy upon the life of the deceased kept up by the deceased specifically for the benefit of another person (say his wife) is dutiable, but is taken into account separately from amounts bequeathed by will. It does, however, aggregate with joint estates passing by survivorship, for it is a benefit consequent upon death of the owner.

It is repeated that, despite continued implications by Opposition speakers to the contrary, an insurance policy taken on the life of the deceased by some other person such as a wife, or son or father, belongs to the person who kept it up and is not in any way subject to duty under the Bill.

The Hon. Sir Arthur Rymill: That is right, if they keep it up out of their own money. That is the distinction.

The Hon. A. J. SHARD: Such an insurance policy, furthermore, may be wholly paid to the person entitled to it without having to secure any release from the Commissioner of Succession Duties, and the statement by the Hon. L. R. Hart to the contrary is entirely wrong. The suggestion by the Hon. G. J. Gilfillan that the expected increases in duty will come very largely from widows and children under 21 is nonsense. It will come almost entirely from the increased rates on the large

successions and through the effects of aggregation where there are large successions. I ask honourable members to carry the second reading of this Bill.

The Council divided on the second reading:

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

Noes (15).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, L. R. Hart, C. M. Hill, Sir Norman Jude, H. K. Kemp, Sir Lyell McEwin (teller), C. C. D. Oetoman, F. J. Potter, C. D. Rowe, Sir Arthur Rymill, and C. R. Story.

Majority of 11 for the Noes.

Second reading thus negatived.

ROAD AND RAILWAY TRANSPORT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from January 27. Page 3574.)

The Hon. D. H. L. BANFIELD (Central No. 1): It amazes me that the Opposition is prepared to treat a State-owned undertaking, valued at about £70,000,000, as a political football and give little or no consideration to the need for this Bill. In his second reading explanation the Minister pointed out clearly that the revenue of the South Australian Railways was in an unfavourable position compared with railways in the other States, especially when taking into account the increasing State population. However, this unfavourable position existed well before the change of Government last March, so this Government cannot be blamed for it; the blame can be correctly placed on the shoulders of the previous Government, which was not prepared to face up to its responsibilities, as all other State Governments have done. No blame can be attached to the recently retired Commissioner (Mr. Fargher), who did an exceptionally good job, to the new Commissioner (Mr. Fitch) or to the senior staff assisting the Commissioner. The reason for the present position is clearly the lack of any control over transport. In all other States there is control, with a result that proportionately their railway revenue is in a better position than ours. This has come about only because of transport control.

You, Sir, may recall that before the last elections in New South Wales the then Leader of the Opposition, who is now the Premier of that State, promised that if elected his Party would do everything possible to relieve what he called the harsh tax on the road transport that was competing with the railways. He

carried out his promise, the same as we are trying to do, but what did he find? Being a realist, he appreciated that it was far more important to look after the assets of the State than to allow road hauliers to gather the cream of the carting without any restrictions. The tax in that State was a maximum of 3d. a ton-mile, the taxable tonnage of the vehicle being the sum of the load capacity and the tare weight. How far did the new Liberal Government go in New South Wales in taking steps to relieve road transport operators of the harsh tax? All it did was reduce the taxable tonnage to the capacity, plus 50 per cent of the tare weight. However, when in Opposition it found that when things were different they were not the same. As the tare weight is about half the load capacity, this means that the New South Wales Government reduced the tax by about one-sixth. That is what that Government thought was doing everything possible. I agree that it was all it could do if it wanted to look after State interests, and I consider that is the responsibility of every member of this Chamber, irrespective of Party.

The Hon. Sir Norman Jude: Did you say the tare weight was approximately half the load capacity?

The Hon. D. H. L. BANFIELD: Yes, approximately. The Hon. Sir Norman Jude, along with members of the Government, can be proud that the taxation proposed in this legislation is well below that operating in New South Wales under a Liberal Government. He said we could be proud that we were lower taxed than other States were, and that we should not increase taxation. No doubt he felt just as proud that workers in this State were for many years at a great disadvantage in relation to workmen's compensation, compared with workers in other States. It was only as a result of this Government's coming into office that the workers were brought into line with those in other States. If he is proud that we have been taxed at a lower rate, he must be proud that he kept the workers down.

The Hon. Sir Norman Jude: Stick to the Bill!

The Hon. D. H. L. BANFIELD: The honourable member was proud that we were taxed at a lower rate than were people in other States, and no doubt he was proud of keeping workmen's compensation here lower than that in other States. The proposal contained in this Bill does not include the tare weight of the vehicle, and the maximum proposed rate is of only 2c. The New South Wales Government exempted from tax the transport of fat

lambs by road, and this applies also in this Bill.

The Hon. C. D. Rowe: It does not apply in the Bill. That is subject to Ministerial direction.

The Hon. D. H. L. BANFIELD: Although we cannot give an undertaking to the Opposition, it can be sure that fat lamb transport will not be taxed. If members opposite do not want this they can alter it if and when they become the Government. The control or rationalizing of large competitive transport industries is by no means new in Australia. The Commonwealth Government exercises a form of transport control by permitting only two airlines to run interstate services. Honourable members well know that the Commonwealth Government recently rejected an application by Interstate Parcel Express Company to import aircraft to compete with Trans-Australia Airlines and Ansett-A.N.A. on interstate freight services. Surely we should be prepared to take whatever action is necessary to protect our highly-capitalized rail transport.

The Railways Commissioner, in his report for the year ended June 30 last, expressed concern about the finances of the Railways Department, and pointed out that the tonnage of freight carried was less than in the previous year and that the average earnings a ton-mile had again fallen. Surely we have to take some notice of the Commissioner's concern and attempt to correct the position? Otherwise, why have a Commissioner if we do not take notice of his comments? The average earnings a ton-mile is lower than in any other State. The taxpayer is at present providing £4,000,000 a year out of public moneys to meet railways losses, and yet the Opposition wants nothing done to relieve the position. Railway losses during the past 10 years have been kept within the present limits by the diligence of the railways administration, and considerable savings have been made by the dieselization programme, which, for all practical purposes, has now been completed. This means, of course, that in future there will be no savings from dieselization. Unless there is some form of road transport control every cost increase in respect of wages, fuel or other matters will react directly against the taxpayer. Railway losses must increase. It is, therefore, reasonable and essential that this Bill be passed.

The previous Government recognized the need to provide protection for highly capitalized industry, and it concentrated on giving that protection to private industry. Why should the same people now refuse to give some means

of protection to a highly capitalized industry, as it did to private industry? For years the Government gave protection to the mighty Broken Hill Proprietary Company. Not so long ago the Government of the day signed an indenture that granted concessions and gave protection to the Vacuum Oil Company for the establishment of an oil refinery at Hallett Cove. Parliament ratified the indenture, which provided that the State would do the following:

Within three years from the commencement of the construction of the refinery, build—

The PRESIDENT: The honourable member is getting away from the Bill.

The Hon. D. H. L. BANFIELD: Transport is tied up in this matter because the Government of the day gave an undertaking to build a railway line. Protection of capital investment applied.

The Hon. A. F. Kneebone: You are talking of capital investment.

The Hon. D. H. L. BANFIELD: Yes.

The Hon. Sir Norman Jude: Did any of the Opposition vote against it?

The Hon. D. H. L. BANFIELD: I do not know. That must have been one of the occasions when the honourable member was out of the Chamber and he was unable to see who voted. The honourable member knows who voted against the Bill. The fact remains that, whoever voted for or voted against it, this Council was a party to the signing of the indenture under which the State Government undertook to spend thousands of pounds to protect a private industry. It was agreed to by Parliament. I am not arguing against these concessions being granted, but if it is good enough to give them to outside companies surely it is not asking too much to give a similar protection to our own railways, which are owned solely by the people. What I am saying is that if we can give it to private industry, why can't we do the same for the railways? As I said before, the taxpayer has £70,000,000 invested in the railways. The Opposition is apparently saying "Give the cream of the cake to somebody else; never mind the profits of the railways, give them away altogether."

Three Royal Commissions have looked into transport activities and they have all found that it is essential to control road and rail transport. There is no reason to believe that if a Royal Commission were set up today that it would come back with a different finding; it could not do so. I do not think that the road hauliers would stand in too good a light if there were a complete investigation

into how they operated as to safety measures, hours of employment, terms of engagement, and the many other aspects. It appears to me that the road hauliers would not be shown in a very favourable light.

It also appears to me that there has been much active opposition to this Bill, especially from the South-East. Petitions have been presented, and we have been told that they were not canvassed. We accept the assurance in the same way as it was given. The petitions contained a prayer to the effect that the Bill be not passed. I wonder how many people who offered that prayer not only prayed but pressed the Government in 1940 to broaden the railway in the South-East. It was said that if it were done they would be willing to accept a reasonable degree of road control.

The broadening of the gauge in the South-East was done to benefit people in the South-East and at their request. The overall cost, in excess of £6,000,000, was paid not only by the people of the South-East but by every taxpayer in the State.

The Hon. C. R. Story: Did the Commonwealth help with that one?

The Hon. D. H. L. BANFIELD: Whether it did or not, my statement was that it was paid for by every taxpayer in the State. Even if the Commonwealth paid all of it, the money came out of the pockets of the taxpayers, irrespective of whether they paid Federal taxation, succession duties or some other tax. It does not matter who paid for it. Actually, all the taxpayers paid for it, and not only the people in the South-East who benefited. They promised that if the rail gauge were broadened they would accept some form of transport control. In the final analysis, it was the people who did not have the right to say whether or not they would accept transport control who paid for the broadening of the gauge. The people in the South-East gave the undertaking that they would accept some form of road transport control. The Government at that time accepted its responsibilities and said that the work would be of value not only to people in the South-East but to the State as a whole.

Surely if the Government accepted its part, after receiving the assurance from people in the South-East, it is up to the people in the South-East to accept their part of the responsibility. No-one can say that the proposals in this Bill are unreasonable. It is interesting to read the 1940 report of the Parliamentary Standing Committee on Public Works. As we

all know, it conducted a very lengthy investigation into the need to broaden the rail gauge in the South-East. Its report appears in Parliamentary Paper No. 33 of 1940, and the following is an extract from pages 22 and 23 of the report:

The committee has indicated in a previous paragraph that the capital outlay involved in broadening the gauge with 80 lb. rails between Wolseley and Mount Gambier is estimated at £718,000 (exclusive of rolling stock) and it has recommended the expenditure of this large amount because on the estimate submitted to it the undertaking appears to be economically justified. These estimates were based on existing conditions in the South-Eastern division, and it is obvious that unless the earnings of the lines are at least maintained it would be folly to undertake the broadening. In the opinion of the committee the railways traffic and revenue will not be maintained and augmented unless adequate measures are taken to protect such traffic and revenues from indiscriminate and unfair road competition. Most of the witnesses examined by the committee in the South-East intimated that they were willing to accept a reasonable degree of road control, provided they were given the broad gauge.

The Hon. Sir Norman Jude: How would you stop the interstate hauliers?

The Hon. D. H. L. BANFIELD: The interstate hauliers would not carry all the goods from the South-East. The report continues:

The Transport Control Board was also informed that the people realized that in order to get the broad gauge they must be prepared to make concessions in the direction of a more rigid control of road transport. The committee does not desire to trespass on the preserves of any other public body, but it feels constrained to say that it is of the opinion that in the event of the broadening project being submitted to Parliament for approval, Parliament should take steps to direct the Transport Control Board to take the South-Eastern people at their word and so control road transport within the South-Eastern railways division as to protect adequately railways traffic and revenue and thus ensure to the State a return commensurate with the large outlay involved.

The committee reports further on:

That in view of the fact that the estimated cost of broadening the Wolseley-Mount Gambier line is £718,000, and the cost of new rolling stock is an additional £112,000, it is imperative for the Transport Control Board so to control road transport in the South-East as to adequately protect railway traffic and revenues, and thus ensure to the State a return commensurate with the large outlay involved.

That £1,000,000 project finished up being a £6,000,000 project, which makes it all the more imperative to see that the people either use the railway or pay towards its cost.

The Hon. C. R. Story: Have you figures showing losses on that line?

The Hon. D. H. L. BANFIELD: We are talking about the railway revenue throughout the State, which is affected by the little use made of the railways. Because one line is paying, it does not mean that another line is paying.

The Hon. C. R. Story: What about promises made by the people of the South-East?

The Hon. D. H. L. BANFIELD: According to the committee's report, they made a definite promise. They did not say "Until such time as this line has paid its way, we would be prepared to accept road transport control." Their only qualification was that the broadening of the railway gauge in the South-East be done. There was no other qualification. Provided that was done, they said they would be prepared to accept road transport control. But what do we find coming from the South-East now? We have petition after petition, all unsolicited, of course! They are all worded the same, all the people in the South-East being of the one mind. It is astounding.

The Hon. Sir Norman Jude: Almost unanimous. You should go down and listen to them.

The Hon. D. H. L. BANFIELD: An almost unanimous uprising of the people in the South-East, unsolicited! If it was unsolicited, I am not here today.

The Hon. C. R. Story: They rose up like peasants in protest.

The Hon. D. H. L. BANFIELD: But for the action of the State Government in putting down the line those people would still be peasants. They were happy to get out of their former state, and they gave an undertaking about what they would be prepared to do.

The Hon. C. R. Story: Who gave the undertaking?

The Hon. D. H. L. BANFIELD: The people in the South-East, according to the witnesses who came before the Public Works Committee. No doubt, if we had been talking about the broadening of the railway gauge in the South-East instead of road transport control, we would have received the same assurances as were given in 1940. If they thought they were getting another cut, they would give the same assurances as they gave in 1940. No doubt, there would be a terrific outcry if steps were taken to close a line that was not a paying proposition.

I recall that as a member of the Public Works Committee I had to go to Port Lincoln and beyond to hear evidence about the proposal to close the Yeelanna to Mount Hope railway line because of the lack of support for it,

and that was corroborated by evidence from people over there. No doubt the Hon. Mr. Octoman can tell us about it. It was only because the line had not received the support of the people over there. It had been neglected and allowed to get into such a state of disrepair that it was necessary either to close it altogether or to spend much money to have it repaired. The reaction was the same over there—"We are prepared to use the railways if you leave the line open." A few months later the Hon. Mr. Octoman presented a petition from some people who were at the meeting and gave evidence that they were prepared to support the railways. The petitions are in the same verbiage, again from people of one mind. Of course, there was no soliciting whatsoever! I can assure honourable members that, as a result of our going over there when there was a possibility of the line being closed, there was a greater spontaneous reaction by the people to see that the line was not closed than there was for these petitions. I am sure that these South-Eastern people would react the same as did the people in Yeelanna if they thought there was a possibility of their railway line being closed.

If we are to keep lines open and they are not to be used, or if people are to give the cream of the transport to someone else, let those people wake up to the position. It would please the road transport people and it would take more out of our pockets if we had still to maintain a railway line that was not being used, except for the uneconomic transport of goods. Can the railways be maintained to serve the people? In the best interests of this State we must have some control of transport that will give the railways an opportunity to gain their full share of the profitable trade to offset the losses incurred in providing essential transport to areas that do not interest the road transport operators. It cannot be said truthfully that the road transport operators would be happy to take over from the railways. We know it would be impossible for them to do so. As has been pointed out, they are prepared to take only the most economic trade and leave the rest to the State Government and the people generally, who have to meet costs out of their pockets when the railways are not being used and other people are reaping the profits while the railways are making greater losses. The Hon. Sir Norman Jude suggested that the Government should go to the country on this matter. That is a good fighting challenge from an honourable gentleman, who, if we went to

the people, would not himself have to face the electors. Anyone can throw out such a challenge. Our going to the people would not affect one member of this Council. Not one honourable member would have to face the electors.

The Hon. Sir Arthur Rymill: I shouldn't bother about that. You won't be as silly as all that.

The Hon. D. H. L. BANFIELD: It is not a matter of being as silly as all that. It is easy for a person to throw out a challenge when it does not affect him. I assure the Hon. Sir Norman that his colleagues in another place were not happy about the suggestion that we accept the challenge. I suggest that we have the necessary mandate from the people to do this. We have had the support of the people numerically eight times in the last 10 elections. We have not been the Government, but we have had the numerical support of the people to bring in a Bill like this. To say that we have no mandate is so much eyewash.

I, too, add my congratulations to the Hon. Mr. Hill on his maiden speech today. I congratulated him sincerely when he first came into the Council, and I sincerely congratulate him again. Today he referred to the mandate at the last by-election. Before December 4 last the Liberal and Country League inserted an advertisement in the press asking the people to defeat the Government and to protest against the Government in regard to the high rate of taxation. That was one of the platforms of the Liberal and Country League Party, on which the honourable member was elected.

The Hon. A. F. Kneebone: It was a blue-ribbon seat.

The Hon. D. H. L. BANFIELD: Yes. The Labor Party was prepared to put up a candidate in order to show that it was willing for the people in Central District No. 2 if they so desired to protest against the Government. In the advertisement that was what they were urged to do. What was the result? It is true that the Hon. Mr. Hill was elected, but the overall result is most interesting.

First of all, voting was not compulsory. Secondly, everyone did not have a vote. In March, 1965, when there were 69,054 electors on the roll, 56,569 voted, which was 81 per cent. The L.C.L. votes totalled 33,491, which represented 48 per cent of all voters. It did not reach 50 per cent. What happened on December 4, after the advertisement had been inserted? The people were told:

A massive L.C.L. vote on December 4th is the most effective way to curb's Labor's costly

policies and hasten the return to responsible Government. Protest against Labor's policies and vote (1) Hill C. M. tomorrow.

The people were also told to look at the Labor Government's record so far, and there were suggestions about heavy road transport taxation, increased succession duties, and other things. Because this appeared in the advertisement, I should draw attention to what happened in Central District No. 2. On December 4, 1965, 69,869 electors were on the roll, and the formal vote was 30,424, a massive vote of 43 per cent.

The Hon. Sir Arthur Rymill: It was a massive vote for a by-election.

The Hon. D. H. L. BANFIELD: On March 6 last all the L.C.L. Government could get was 48 per cent, and it was in government at that time. The present Government was in office on December 4, when the people were urged by the L.C.L. to protest against what the Government had done, and proposed to do. The Hon. Mr. Hill was elected in a blue-ribbon district, as had been expected long before the election took place, but the vote represented only 29 per cent of all electors on the roll. We received 14 per cent. I am not too proud to speak about what we received in a blue-ribbon L.C.L. district.

In March, 1965, the L.C.L. received 48 per cent, and in December it received 29 per cent, a drop of 19 per cent. Honourable members opposite may laugh, but the fact remains that there was a drop of 19 per cent. After the

people had been urged to protest, who obtained the mandate in this blue-ribbon seat? Who lost more votes?

The Hon. M. B. Dawkins: What about the Bill?

The Hon. D. H. L. BANFIELD: I am talking about the mandate we have in relation to road transport.

The Hon. C. R. Story: You should leave something to say about the Electoral Bill.

The Hon. D. H. L. BANFIELD: All I have said bears repeating. Having made my point in regard to the mandate, I say in all seriousness that the railways represent a great organization, and that it is our concern to see that they continue to operate, and profitably, if possible. If the Railways Department is not running profitably, we must take the necessary steps to see that it is. This Bill is a step in the right direction, and, because it is a money Bill, the Opposition is anxious to see that the Government is unable to get its policy in operation, and the defeat of this Bill will deprive the Government of money. I hope that members opposite will not take the same attitude as they did on the previous Bill. I support the second reading.

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

ADJOURNMENT.

At 5.16 p.m. the Council adjourned until Wednesday, February 2, at 2.15 p.m.