

## LEGISLATIVE COUNCIL

Tuesday, February 8, 1966.

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

### PETITION: ROAD TRANSPORT.

The Hon. H. K. **KEMP** presented a petition signed by 75 electors and residents of the House of Assembly Districts of Murray and Ridley in the Southern and Midland 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.

Received and read.

### QUESTIONS

#### AGRICULTURE GRANTS.

The Hon. R. A. **GEDDES**: I ask leave to make a statement prior to asking a question.  
Leave granted.

The Hon. R. A. **GEDDES**: In today's *Advertiser* there is a statement that in the next five years the Commonwealth Government intends making available annually extra funds rising to £2,000,000 a year above the existing grants of £700,000 now made for extension services of the Departments of Agriculture throughout Australia. Will the Minister representing the Minister of Agriculture say what proportion the South Australian Department of Agriculture receives now and how much it is expected it will receive from this new allocation from the Commonwealth Government?

The Hon. S. C. **BEVAN**: I would say very little, but I shall obtain this information from my colleague and let the honourable member have it later.

#### BREMER WATER BEDS.

The Hon. H. K. **KEMP**: I ask leave to make a statement prior to asking a question.  
Leave granted.

The Hon. H. K. **KEMP**: In the Langhorne Creek district the summer production has become more and more dependent upon the valuable water beds that accompany the course of the Bremer River. This year there has been a marked fall in the water tables associated

with these beds, so much so that this fall is causing grave concern. This is essentially low-rainfall country and there is a strict limitation to the intake, which, of course, is completely unknown and can only be guessed at. The position is becoming serious because more and more vegetable growers are being attracted to the district, and the withdrawals of water are increasing heavily each year. The stage has been reached where the area appears to have attracted subdividers, and a position is arising somewhat similar to the subdivision of farms into small areas that is occurring in the Mid North. This will lead to greater withdrawals of water and the chances are that if the geology of this district is normal there will be an encroachment of saline water from the surrounding high saline districts into this, at the moment, very low saline area of sand beds, which we believe should be filled from the Bremer River. Can the Minister of Mines say whether the Mines Department could undertake a survey of the position in this area and make known to the general public the probable further water supplies that can be safely drawn from these aquifers?

The Hon. S. C. **BEVAN**: I will arrange for an investigation to be held into this matter and supply the honourable member with a report as soon as possible.

#### QUINQUENNIAL ASSESSMENT.

The Hon. R. C. **DeGARIS**: Can the Chief Secretary say whether the quinquennial land tax assessment has been completed? If it has, can he indicate the percentage increase on the previous assessment?

The Hon. A. J. **SHARD**: I can inform the honourable member that the assessment has been completed. A question on this subject was asked and answered last week. I am not able to indicate off-hand the percentage increase. However, it was said that the assessment book is available to the general public at the office of the Land Tax Department.

#### DECIMAL CURRENCY BILL.

The **PRESIDENT**: I have received a letter from the office of the Chief Secretary, dated February 4, 1966, notifying Her Majesty's assent to the Bill.

#### GOVERNMENT FUNDS.

The Hon. C. D. **ROWE** (on notice):

1. What amount was collected on account of water supply and sewerage—

(a) for the six months ended December 31, 1964?

(b) for the six months ended December 31, 1965?

2. What amount was held by the Government on fixed deposit with the Reserve Bank of Australia—

(a) As at December 31, 1964?

(b) As at June 30, 1965?

(c) As at December 31, 1965?

3. What amount was held either to the credit or debit of the Loan Fund—

(a) As at December 31, 1964?

(b) As at December 31, 1965? If the Loan Fund was in debit as at December 31, 1965, what steps are being taken by the Government to correct the position?

4. What was the cash balance held by the Reserve Bank on account of the Treasurer—

(a) As at December 31, 1964?

(b) As at December 31, 1965?

The Hon. A. J. SHARD: The replies are:

1. Amount collected on account of water supply and sewerage: (a) six months ended December 31, 1964—£5,742,845; (b) six months ended December 31, 1965—£7,026,397.

2. Amount held by Government on fixed deposit with the Reserve Bank of Australia: (a) as at December 31, 1964—£19,000,000; (b) as at June 30, 1965—£14,000,000; (c) as at December 31, 1965—£12,500,000.

3. Amount held to the credit or debit of the Loan Fund: (a) as at December 31, 1964—£1,962,272 credit (including credit balance of £1,698,004 from prior year); (b) as at December 31, 1965—£1,598,272 debit (including debit balance of £29,664 from prior year). Loan expenditures for the six months were 52.3 p.c. of the annual estimate, whilst loan recoveries were 38.2 p.c. of the estimate. It is anticipated that the recoveries will be secured as estimated and that departmental budgetary control will succeed in keeping expenditure within 1 p.c. to 2 p.c. of the estimate.

4. Cash balance held by Reserve Bank of Australia on account of the Treasurer: (a) as at December 31, 1964—£2,052,078; (b) as at December 31, 1965—£1,372,757.

#### CROWN LANDS.

The Hon. L. R. HART (on notice):

1. Has there been a change in Government policy relating to freeholding of Crown lands?

2. Is it now possible for a freehold title to be obtained for Crown lands?

The Hon. S. C. BEVAN: The replies are: 1. No. 2. No. The honourable member's attention is drawn to section 66 (b) of the Crown Lands Act.

#### ROAD AND RAILWAY TRANSPORT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from February 3. Page 3772.)

The Hon. A. F. KNEEBONE (Minister of Transport): I appreciate the references the—

The PRESIDENT: Order! I think the Minister of Local Government had the adjournment, and I think perhaps other honourable members wish to speak, and, if the Minister of Transport speaks, that closes the debate.

The Hon. A. F. KNEEBONE: I did wait for a minute or two to see if anyone else wanted to speak.

The PRESIDENT: Does any other honourable member wish to speak?

The Hon. C. D. ROWE (Midland): I intended to speak on this matter and I believe one or two other honourable members wish to speak, and I am sorry if the Minister was under a misapprehension. At no time did I indicate to anybody that I did not wish to speak on the Bill. There are certain things I want to say with regard to this Bill. I do not propose to deal with the questions of what should and what should not be exempted, as I believe that they are matters that have been dealt with by various other honourable members.

I think it is rather unfortunate that when this Bill was last before the Chamber on Thursday last the Minister had not made up his mind as to what was and what was not to be exempted. Considering the length of time this Bill has been in another place and the time it has been here, we are entitled to be told exactly what the Bill will cover and what it will not, so that when we go to our constituents and they ask us the position, we shall know what the Bill is all about. That problem has not been resolved. What this Bill means as far as the public is concerned is still completely up in the air. I believe that the Government could have helped itself in this matter if the Minister himself had attended one or more of the protest meetings that had been organized. I am not suggesting the Minister could or should have attended several meetings that were organized; that would be putting too much on his shoulders. However, this Bill has created a lot of criticism as far as the public is concerned, and I think

the Government was asking too much of the public to feel that the matter was being adequately handled by the Government merely by Ministers answering questions in this Council.

I know that a Minister is answerable to Parliament for his actions, and that members of the Opposition have a right to ask questions; that is a right the Government has never denied us, but we cannot get all the information we need, nor can we hope to convey that information to the public. I think that the Government would have helped itself considerably if the Minister of Transport or the Premier had chosen to attend one or two of the strategic public meetings and explained this legislation. I think that would have saved a good deal of the controversy that has arisen over this measure.

I am sorry from the point of view of the public and the Government that that policy was not followed. I think it is part of the responsibility of a Minister to go out and explain legislation to the public. This time last year when we were in power there was criticism of the Road Maintenance (Contribution) Act. I attended as far as possible every meeting to which I was invited. I am not denying the fact that some of these meetings were stormy and that there were some unpleasant receptions in various parts of the State; nevertheless I felt that it was my responsibility to attend those meetings. Similarly this year, whilst I have not been able to attend every public meeting held, I have gone along and done my best to explain the effect and impact of this legislation as I understand it. I think it is the Government's responsibility to do this if we are going to get responsible Government.

I point out one or two facts to the Minister with regard to this legislation and to the Road Maintenance (Contribution) Act. This time last year the present Minister of Transport and I were engaged in attending meetings on Eyre Peninsula. We were both trying to explain to the electors the effects of the Road Maintenance (Contribution) Act. I do not know what sort of reception the Minister received at that time, but my reception was not particularly good. I said it was not possible to exempt Eyre Peninsula from the Road Maintenance (Contribution) Act, and from information which came back to me the Minister was going from house to house and place to place saying that, if a Labor Government was elected, Eyre Peninsula would be exempted from the provisions of the Act. The Minister was asked in this Council for the source of that

decision, and we were told that no particular Government member was responsible for it. I do not accept that the Minister gave that information off his own bat. I think he gave it as a result of information given to him. However, he gave the undertaking that, if the Labor Party was returned, Eyre Peninsula would be exempted from the provisions of the Road Maintenance (Contribution) Act. I told the people clearly at the time that I did not think that was constitutionally possible, and events have worked in my favour in this matter.

The Hon. Mr. Bevan, when asked questions in this Chamber, said that the Government did not propose to proceed with the exemption of Eyre Peninsula from these provisions. I think he also said that it would not be possible to grant that exemption without jeopardizing the whole legislation. Now we are in the position of having to explain to the people of Eyre Peninsula that there will be further impositions on their road transport, and the Minister says that there will be certain exemptions as far as Eyre Peninsula is concerned.

The immediate comment that I was given to this was: "Yes, but 12 months ago the present Minister said we were going to be exempted from the provisions of the Road Maintenance (Contribution) Act." Through circumstances that I do not think were entirely his responsibility, he was not able to honour that promise, so what assurance have we that this promise will be honoured?

The Hon. S. C. Bevan: The Bill.

The Hon. C. D. ROWE: The Bill is no assurance, because what is and what is not to be exempt is not set out. This is a matter of Ministerial discretion and can be altered from day to day or from hour to hour. The list of exemptions has been altered at least three times since the Bill was introduced in the House of Assembly and if we pass the Bill today we could find a change of policy and the granting of further exemptions tomorrow morning. There is nothing to prevent the Minister from doing that. If this question of Ministerial responsibility means anything, it means that the Minister was obliged to go to the public meeting and explain the implications of this legislation. I agree with the remarks that have been made by the Hon. Sir Lyell McEwin that he opposes all this legislation being under the control of the Minister and that, if it is to be effective at all, the exemptions should be in a schedule to the Bill.

The Hon. A. F. Kneebone: They were to be put in regulations.

The Hon. C. D. ROWE: I shall deal with that question later. What I am saying is that the exemptions should have been put in a schedule to the Bill, where they would be clear and definite and could not be altered without the matter first being ventilated in Parliament. If we had set out to do these things by regulation, we would have one set amended twice already and there would be further amendments. It would then be impossible for the ordinary person to know what was exempt and what was not. The comments of the Hon. Mrs. Jessie Cooper in regard to the volume of legislation done by regulation and the objection to it indicate that on a matter like this the best method is to insert a schedule in the Bill. I cannot see why that cannot be done. All that the Minister has to do is resolve in his own mind the remaining questions about the goods that are to be exempt and those that are not to be exempt and he then could, in a schedule to the Bill, set out clearly what these exemptions are to be. That would remove any possibility of confusion arising and would take a tremendous burden from the Minister's shoulders. If anyone asked him a question, he would only have to say, "There it is, in the schedule to the Bill."

The Hon. A. F. Kneebone: What would happen in an emergency, such as a rail strike, when these things could not be brought down and dealt with immediately by Parliament? If they were in the Act, it would be necessary to amend the measure in order to meet the emergency.

The Hon. C. D. ROWE: I should like to take that question further. What would happen in an emergency if we had all this control? I think we would have confusion worse confounded. However, I do not think these emergencies are likely to be of such a nature that they will create the problems and confusion that exist today. We did not find that difficulty when we were dealing with the Road Maintenance (Contribution) Act, and I do not think the Minister would find it here. In regard to the matter of making the legislation clear and definite, I think there is a tendency today for Governments to pass legislation that is not clear and definite and that the people in the street have difficulty understanding.

The Hon. C. R. Story: Do you think the Minister is anticipating that there may be a strike?

The Hon. C. D. ROWE: These things do happen, unfortunately.

The Hon. A. F. Kneebone: They happened in your time.

The Hon. C. D. ROWE: I sincerely hope the Minister is not anticipating anything like that. There would not be any grounds for doing so at present. We have passed legislation that the public have difficulty in understanding, and that has occurred with previous Governments in this State. I think a typical example of legislation that is difficult to understand is the Commonwealth Income Tax Assessment Act. Sections of that legislation are so worded that it is difficult for even a trained person to understand them. I think that ought to be corrected, and the same could probably be said of the amendment to the Succession Duties Act during the time of the Playford Government.

I think we should try to devise formulae so that measures will be easier to understand. That applies particularly to this legislation. A client came to my office last Friday and was trying to get from me a statement of what goods would be controlled and what goods would not, and also as to what the position was in regard to routes, and so on. I had to confess to him that at that time I was not in a position to make a firm statement on these matters.

I think that to control this matter by regulation is to leave it completely indefinite, and I cannot see how there could be uniformity if permits were issued by one officer at Mount Gambier, by another officer at Port Augusta, and by somebody else at Port Lincoln. I think the Minister will be the happiest man in the Council if this legislation is defeated. If it is defeated, it will be a load off his shoulders but, if it is passed, he will have to try to work out a system that will make it work, which would require the wisdom of Solomon. Sir Norman Jude and I know the trouble we had when we were trying to work out an administration system so far as the Road Maintenance (Contribution) Act was concerned. However, that was a Grade One exercise when compared with the work that will need to be done to get the administration of this legislation working. As Sir Lyell McEwin has said, it must lead to discrepancies and allegations of unfair preferences that I do not think we should allow to be levelled at the present Minister or at any other Minister in this Council.

I think the approach to this problem is wrong. The Road Maintenance (Contribution) Act was passed to ensure that road transport would pay for the damage it did to the roads.

In other words, road transport is obliged to pay its way as far as that damage is concerned, and when we remember that that brings in about £1,000,000 a year, which is more than we expected at the time we passed the legislation, that is making road transport make a very considerable contribution to the roads and I do not think it is proper that further imposts should be placed on such transport.

I think the problem must be tackled in another way. The Railways Department is a public utility that is losing £3,600,000 a year. I need not go into whether the loss is on operations or whether it is on the capital debt, which goes back some years, but the loss is there and something must be done to get rid of it, if possible. I do not think this Bill is necessary. I would like to see a detailed investigation into railways operations, particularly into passenger traffic in country areas.

The Hon. S. C. Bevan: Why not go the whole hog and have a detailed investigation into the whole transport system?

The Hon. C. D. ROWE: I am speaking about the situation of the railways at this time. Passenger transport is causing most of the losses at the moment. Whenever it is possible for me to do so I travel by rail passenger transport from Adelaide to Paskeville on my way home to Maitland. At Paskeville I board the mail coach that goes on to Maitland by road. I am surprised at the few people who use that service, particularly as it leaves Adelaide at about 6 p.m., which is a convenient time for people who have been shopping in the city. There is an air-conditioned coach, and the line is in good order. Whenever I have travelled on it the train has run within a minute or two of its planned schedule. I cannot see how the service can be improved. The seats are comfortable, and the carriage is cool in summer and warm in winter. When the service leaves Adelaide there are many people on it who have been in the city shopping during the day or working there, but when it leaves Mallala there are, unfortunately, few passengers left on it, and few of those passengers appear to be paying customers. From my observations many passengers travel on a concession of one kind or another.

I do not know what more this or any other Government could do to attract people to the service. We have here an expensive modern coach running to a satisfactory timetable and giving every possible convenience, yet it unfortunately does not attract passengers. The service must be expensive to operate, as

the capital cost of the coach must have been considerable. A driver and a guard are associated with the service, and I do not see how it can pay its way. It seems to me that, if this is a true pattern of what is happening on other passenger services, we may have to consider seriously the future of the railway passenger services to some country areas. It may be that some of the rail transport services will have to be passed over to road transport. I am thinking at the moment of the road transport service that operates between Adelaide and Yorke Peninsula towns. It was started many years ago. I recall that when I had to come to Adelaide to attend college in the 1920's an old Nash sedan car was used to provide the service, together with a couple of Packard cars. The service has operated through the war years and up to the present, and, as far as I know, it has operated without Government assistance. I have not heard any reasonable criticism of that service. The present proprietor has provided an air-conditioned coach and there is a return trip each day at no cost to the Government. It may well be that if we are losing large sums on country rail passenger services the answer is to pass such services over to road transport, which would not involve any cost to the Government.

I tried to discover from the Auditor-General's report the situation with regard to passenger traffic losses or profits, but unless I have not looked far enough I am unable to find in that report a statement whether the country rail passenger services pay or not. It may be difficult to work out, because the lines must be examined individually as to overhead expenses. Even if country passenger services were removed, the line would have to be kept open for freight services. However, with new financing ideas and modern development it may be that passenger rail transport in sparsely populated areas is a thing of the past, but I would like to have the matter investigated.

There is not much more that I wish to say, because I do not propose to argue what should or should not be exempted. I believe that matter has been adequately covered by other speakers. I take it that the Government's object in this legislation is to get help in its budget proposals. In other words, the motivating reason for the legislation is finance. I do not think the Government would suggest that it wants the proposals accepted in order to make things easier for the public. The Government's reason for introducing the Bill is that it must do something to stop the losses on the operations of the railways. I do not agree

with the Government that if this legislation were passed revenue would be increased by £1,000,000 a year. Nor do I agree with the Government that half of that amount would be profit; I believe the figures are exaggerated. I know the position of farmers on Yorke Peninsula regarding bringing fat lambs to Adelaide. I know it is proposed that fat lambs shall be exempt. Perhaps I could illustrate it better if I took a commodity that was not exempt. The farmer would rather pay the additional cost involved in order to take goods by road straight to the city, deliver them and take goods home on his own truck than put up with the inconvenience, delay and expense of using the rail service. I think that that will continue, and I do not think that the £1,000,000 additional revenue will eventuate.

I doubt whether, in some circumstances, the railways would have the capacity to carry additional freight. I know something about the transport of agricultural machinery over some of our railway lines, particularly the line to Western Australia. Delays have occurred with the carriage of the machinery. The delay in one case was caused through handling difficulties because of the break of gauge at Port Pirie. These delays are serious for some people. When an agricultural machine has been sold, it must be delivered when the farmer wants it. It is useless delivering it at the end of the season. I do not think the railways, with their existing organization, will be able to handle additional traffic. That would be true regarding interstate traffic and some of our country routes. It is an angle that must be examined.

The point I make is that the purpose of this legislation is to obtain additional revenue for the Government. I think the answer is to look at the finances of the railways and see if good results are coming from the use of diesel engines. I remind the Government that in its policy speech it said that from the increased revenue it expected to receive, and because of the amalgamation of the State Bank with the State Savings Bank, it would have an additional £51,000,000 to spend. The Government has found, as I always thought it would find, that the increased revenue has not eventuated. It has found also that although revenues have been more buoyant expenditures have been just as buoyant, if not more buoyant. The main difficulty the Government finds itself in is that the proposals it put to the electors for financing these additional promises have not worked out, as I always believed at the time they were made they could not work out.

Because that has happened, the Government has had to turn round and investigate every other means of obtaining revenue. In doing that, some of the avenues it has followed have not been in the interests of the State. Our industrial progress has been achieved because of the cost advantage we have had over other States. But we are losing that quickly; there is evidence of it on all sides. I was sorry and the Premier was sorry that in his New Year's message he had to tell the people of South Australia that he could not announce the establishment of any more new industries at that time because the matter was confidential to the parties concerned. He said that he was not able to announce industries beyond those already announced. I should like to have a list of those already announced, because I think they have been few and far between.

This legislation, if it reaches the Statute Book, will lead to much unnecessary clerical work and cost. It will not achieve the £1,000,000 extra revenue that its sponsors feel it will. It will lead to allegations of improper conduct as far as the Minister is concerned—allegations that I am prepared to say now, and always have said, will be without any foundation in fact; but they will put the Minister in an unfortunate position. Those of us with a care and respect for honesty in administration do not like to see that sort of thing happening, but unfortunately it will happen in this case. One has only to study the history of the petrol rationing legislation when we were short of petrol immediately after the Second World War to appreciate how these unfounded allegations are made, when public men are accused of improper conduct. If this legislation goes through and its administration is left to the Minister, that unfortunate result will follow. Consequently, I should like to see the whole of this business investigated further with a view to tackling the problems in another way.

The Hon. G. J. GILFILLAN (Northern): I rise to speak on this Bill on general principles rather than in detail. The details incorporated in it and in the suggested controls mentioned in the Minister's second reading explanation have already been discussed in detail. I reiterate one point that the Hon. Mr. Rowe has just made, that in practice this will be a revenue-raising Act. In common with many Bills that we have had this session, it has been designed mainly to increase the revenue flowing into general funds. We have heard much about the value of the railways and their being

an investment for the taxpayer, and it has been suggested that we should at all costs protect this investment. The peculiar thing is that if this is a taxpayer's investment the taxpayer himself is being asked to contribute towards maintaining it at all costs. Now, under more open competition, we have a dual transport system, each concentrating on that part at which it is more efficient. In referring to this means of raising revenue, the Premier said, "We can look forward to the railways earning at least another £1,000,000 per annum. During the third year those earnings will be increased." This implies that, whatever legislation we now have before us and whatever may be proposed in the way of restrictions, the position can become more severe as time goes on. Opinions have been given by several Royal Commissions on this question of road and rail transport but I should like to point out that they sat a long time ago. We must also consider the pace of modern living and the way things change so quickly and realize that the conditions that applied at the time of those Royal Commissions do not apply now, except in a few respects. However, generally, the conditions now are so different that any findings that may have been made some years ago are most unlikely to apply now.

It was also mentioned, I think by the Hon. Mr. Banfield, that the railways are in a much better position in those States where transport control applies. I was interested enough to look up the Auditor-General's figures for each of the three Eastern States and compare them with those for South Australia. Because of the different manner in which the reports are presented in each State, it takes much research to draw any exact comparison, but I have tried as nearly as possible to do so. In the year 1964-5 the New South Wales railways showed a surplus of £88,008 but, when we investigate further, we find that there is a contribution from consolidated revenue of £800,000; there is also a contribution by the Government to the Railways Superannuation Fund of £800,000, and there is a contribution from the State Transport Fund of £1,400,000, which makes a loss of £2,911,992. In the same year the State Transport Co-ordination Fund collected £1,959,020 and the Road Maintenance Fund collected £5,122,820, which is a substantial contribution by the road transport system of that State.

It is interesting further to note that in today's *News* there is a report that it is anticipated that the deficit could reach £5,000,000 this year in New South Wales. The

reason given is that the drought has almost wiped out the revenue expected from wheat, livestock, wool and meat haulage, which goes to show just how severe the controls would have to be on these commodities to have really any substantial effect on the railway earnings. It was also an interesting comparison to see that in Queensland the collections under the State Transport Act paid into consolidated revenue for 1964-5 amounted to £2,512,442. The collections from road maintenance were £1,513,625. In spite of this tremendous collection, which is about £4,000,000 from road transport, the railways lost £6,941,825. Admittedly, the Mount Isa strike could have had some influence on this loss, but I wish to point out that, in spite of a large contribution by road transport to the consolidated revenue, and these controls and restrictions, the railways suffered a loss of almost £7,000,000.

In addition to that, in 1931 the sum of £28,000,000 was written off the railways debt, which meant an annual interest saving of £1,235,000. In Victoria, the deficit is also a little hard to find because, in the Auditor-General's report, a deficit of £1,164,754 is shown, but that is not a suitable comparison because interest has not been charged on money borrowed since July 1, 1960, and also because of the Auditor-General's method of presenting the accounts. Victoria is not an exact comparison; but even in Victoria, which is a closely settled State, there is still a considerable loss in revenue by the railways. The transport fund there collected £768,090, whereas the road maintenance fund collected almost £3,000,000. The Hon. Mr. Story mentioned a new building that is being erected to house the large staff needed to administer that Act.

The Hon. S. C. Bevan: We have not seen road transport disappear in those States.

The Hon. G. J. GILFILLAN: We still have road transport in those States but on a very restricted basis. These figures show that where there is road transport control there is still a considerable loss by the railways; indeed, in one State a much greater loss than in South Australia. The figures for South Australia in the one year that the railways have competed against road transport are very encouraging, in that they absorbed an increase in wages of almost £500,000, yet the deficit was not very much greater than the previous year. This is particularly good when it is remembered that the wheat carried was considerably less owing to seasonal conditions, and that affected the

revenue earned. If the same amount of wheat had been carried as in the previous year, the railways would have absorbed this increased wages bill with a very minor additional loss. This shows that the railways in South Australia have faced up to open competition very well. I think the department has shown a very progressive attitude in the way the railways have been modernized, and I think that greater competition has added considerably to their efficiency.

There are still other fields where increased efficiency could be obtained, and I think that only open competition will achieve this. We will never have efficiency where we have no competition. This is evident in minor ways in the service that monopolies are prepared to give. It has been said that the Bill will only cost those people who use road transport about £200,000 a year.

The Hon. R. C. DeGaris: Is that net or gross?

The Hon. G. J. GILFILLAN: I think this would be the gross cost. The net return, after the cost of administration (if our costs are similar to those of the other States), would be very much less because of the large number of people needed to police and collect the revenue. The figure of £200,000 has been mentioned as the likely cost to the taxpayers. It has also been stated that permits will be freely given. Surely there is something wrong with one or the other of these statements, as we see from the figures in other States where they collect large sums (up to £2,500,000 in Queensland), that the railways still show a loss.

Surely £200,000 in the way of a charge on road transport is not going to solve the problem as far as the railways are concerned, so if the charge is going to be only £200,000, surely the permit system must be more restricted than has been indicated.

The Hon. Sir Norman Jude: It is interesting that in New South Wales they collected £1,500,000 in road maintenance and in South Australia £1,000,000.

The Hon. G. J. GILFILLAN: In New South Wales they collected £1,959,020 on straight transport co-ordination; on road maintenance they collected over £5,000,000. I imagine this is because of the large volume of road transport in New South Wales, which is the centre of the three Eastern States. It is obvious that, in spite of the statements that have been made publicly by this Government, either a lot more money will be collected in revenue or permits will be severely restricted.

The Hon. R. C. DeGaris: Or charges are such that road transport cannot operate.

The Hon. G. J. GILFILLAN: Yes, that would be the effect of it. I would be interested to hear, when the Minister makes his reply, just what bulk goods would be carried at concession rates. These rates have been charged by the South Australian Railways when the railways have had a virtual monopoly on goods of this type. To the best of my knowledge, such goods are being carried by competitive road transport.

The Minister has implied that road transport has an unfair advantage, in that it concentrates on the goods producing higher revenue, and leaves the railways with the bulk goods, which are carried at concession rates. The only goods of any significance that I can think of in this category, apart from ore, are such things as wheat and superphosphate.

The Hon. R. C. DeGaris: They do have bulk rates for certain things.

The Hon. G. J. GILFILLAN: These would be two of the main revenue producers, and I know that road transport will carry both at competitive rates in some instances and at less than the rail freight in other cases. In some instances wheat is being carried to bulk terminals at a rate less than the rail freight rate and superphosphate is being carried to the country and placed in sheds for less than the rail freight, so I would call these rates competitive, not concessional rates.

Also, the railways do not handle these goods. They only haul the trucks, which are loaded and unloaded by the people concerned. I say these things, not as criticism but as a suggestion that the matters be looked into with a view to giving a better and more competitive service, because I consider that this is the real answer to transport problems. Most honourable members receive a publication distributed by the railways of Australia, and it was interesting to see a recent advertisement in the *Advertiser* stating:

No other land transport agency, on a ton-mile basis, carries freight at such low cost or so speedily.

If that is true, the railways ought not to have any problems on haulage, except haulage over a short distance. Cost and speed are two vital things in our transport system. I know that, in some instances, the railways are reducing costs by hauling longer trains. I am not sure whether this will be the answer to all our problems in the long run, particularly where speedy delivery of stock by train is concerned.

It may be worthwhile investigating the possibility of having express trains for this class of goods, so as to avoid stops and shunting. The Minister could look into this.

However, it is not my intention to criticize the railways. I am opposing this Bill because of the several points that I shall enumerate. One is that this restriction will vary with the area concerned and there will be a complete exemption within 25 miles of Adelaide, except that the Minister has the power to control certain classes of goods. Then, outside that area, people will pay the charges. I consider this completely against the principles of proper and democratic Government, when we find charges and taxes placed on people, not because of their ability to pay, but because of the area in which they live.

I also consider that this legislation is putting the clock back and that we are placing restrictions on the right of an individual to make his living. We have many road operators who are only small men as far as business operations are concerned. They may own one truck or they may be owner drivers, and this restriction would place a real burden on them. It also restricts the right of individual users of transport to use the type that suits them best.

In the debate on another Bill, I mentioned the problems of those people who are self-employed. Transport control is much more important to them than it is, perhaps, to people who occasionally use the passenger services. It is easy for people who only travel as passengers to say what other people ought to do. I also object to so much power being vested in the Minister, which means in the Government of the day. These controls could be varied at a moment's notice and people in the transport business would have no security. They would not know from day to day whether their business would be affected.

The Hon. S. C. Bevan: Don't talk like that! It is all governed by regulations, and all regulations have to come before Parliament.

The Hon. G. J. GILFILLAN: I have previously heard it said that Parliament has the say when regulations are made. It is true that Parliament has power to disallow a regulation, but it has no power to bring in a regulation. If I correctly remember the provisions of the Bill, these regulations are not to apply to all facets of the measure by a long way. Finally, I oppose this Bill because there has not been

any proof at all that under conditions applying today it will in any way substantially benefit the railways and the transport system of this State. I consider that the real benefit to the State in our transport system comes from the most efficient and economical way of carrying goods. I oppose the Bill.

The Hon. A. F. KNEEBONE (Minister of Transport): First, I must apologize to you, Mr. President, and to other honourable members because I rose earlier to reply to the debate. It was not my intention to stifle debate on the Bill, but I understood last Thursday that honourable members wanted to get rid of it then, and it was only because I objected to being expected to make a considered reply to statements made on that day by three or four speakers without having the opportunity of investigating some of the things they said that the debate was adjourned until today. Then, I naturally thought this was the end of it, because people told me it was the end last Thursday. I apologize if it seemed that I was trying to stifle debate. I was not attempting to do that at all.

I appreciate the reference of most honourable members to the respect in which they personally hold me. However, despite this professed respect for my integrity, they made much of the danger of exposing any Minister, including me, to temptation. I assure honourable members that I have complete faith in the integrity of all Ministers of the present Government. I assure Sir Lyell McEwin that I never doubted his integrity, and the actions he took in the circumstances he described were in line with what I was sure he would have taken. However, both my colleagues and I would have taken similar action in like circumstances. Before dealing with various matters mentioned by honourable members in their speeches on this Bill, let me say here and now that I have not heard one word uttered by members opposite that would give any indication that they have made the slightest endeavour to understand the position in which the railways are at present placed, the present losses and the inevitable increase in these losses that will occur unless some steps are taken to protect railway revenue.

The Hon. Sir Norman Jude was Minister of Railways for many years and I would have thought that he would understand the problems of competition with road transport that the railways have been continually faced with over the years, and I have no doubt that on many occasions he would have heard the former Railways Commissioner's comments on

the state of affairs. As his speech on this Bill made no reference to or offered any constructive comment on the railways problems, I can only assume that either he did not understand the problems or he finds it now expedient to ignore them. I respect his ability and feel certain that the latter is the true explanation.

The Hon. R. C. DeGaris: Why has interstate rail transport increased so rapidly since 1957 in open competition?

The Hon. A. F. KNEEBONE: That is due to the efficiency of the railways, but it does not say just because interstate services are increasing that we should give everything else away, as somebody suggested.

The Hon. Sir Norman Jude referred to the difficulty of obtaining permits rapidly. Let me make it clear that if this Bill is passed adequate publicity will be given to the fact that regular transport operators will have no difficulty in making arrangements with the Transport Control Board to operate on an annual permit and to submit periodical returns to the board for the payment of fees in respect of chargeable trips. This would be similar to an arrangement made when the previous Government was in office, in respect of payments under the provisions of the Road Maintenance (Contributions) Act. A little thought would make it quite obvious to honourable members that similar arrangements could and would be made under this legislation. This, like many other matters mentioned by honourable members here, was only Party tactics to create an impression that the legislation would be unworkable.

I have no doubt in my mind that the legislation could work effectively and if looked at in an overall pattern, and not just from the pressure interests of road transport operators, would in due course be to the benefit of the State as a whole. Apparently honourable members opposite consider that a loss of almost £4,000,000 on the railways is a matter of insignificance, and they are prepared to bury their heads in the sand about the future loss. Their attitude, in my view, is nothing more than political opportunism.

The Hon. Sir Norman Jude, the Hon. Mr. Story and the Hon. Mr. Geddes mentioned difficulties about computing charges. The Hon. Mr. Story gave a rather farcical example of a carrier starting off with a full load, with unloading taking place at numerous points before he reached his final destination. If nothing else in the Bill is clear to the honourable member, it should be patently clear to him

that the tax is based on load capacity and not on how much is being carried. There would not be the farcical state of affairs of pulling up at various weighbridges to ascertain the weight of the commodities on a vehicle.

The Hon. Sir Norman Jude: They would be charged different rates.

The Hon. A. F. KNEEBONE: Yes. The load capacity is clearly defined in the Bill. It is something that is determined at the time the vehicle is registered. The assessing of charges for mixed loads is a matter adequately met in other States. I have no doubt that our own administration could do the same. The Hon. Sir Norman Jude made great play of the double handling of livestock going to the Gepps Cross abattoirs by rail. Livestock travels to the abattoirs by rail at present and does not create any undue problems, so why should it do so because of this Bill? He also mentioned that we were exempting Eyre Peninsula. Under the current proposals all journeys completely outside the 25 miles radius of the G.P.O. would be exempt, so this is not, as he describes it, "giving a handout to Eyre Peninsula" in the hope of dividing primary producers on their attitude to this legislation. He also made considerable play of the fact that charges would only apply within 150 miles radius of the G.P.O. This would have the effect of reducing the charges to be paid by some people. Surely he cannot honestly complain about this.

Honourable members opposite have been certain to explain in their speeches that they have not been a party to the organizing of protest meetings and the organizing of petitions. I cannot help but think that they protest too much on this matter. I have no doubt that they have considered it politically expedient to foster and encourage these meetings and petitions. I had requests to attend protest meetings. I do not think that any member opposite, when on the Government benches, would have attended protest meetings, any more than I would. Were the meeting attended by honourable members in connection with the Road Maintenance (Contributions) Act organized protest meetings? I do not think they were. When replying to the various organizations who wrote to me I expressed willingness to receive deputations to discuss the matter with them, but not one came forward. The Hon. C. D. Rowe referred to some meetings, but, as I understand it, they were not organized meetings. At those I attended I was told blatantly

that they were protest meetings. I have said that not one of the people came forward. Evidently they did not think they had a good case to put before me. Not from any of those meetings has anybody come to see me.

Honourable members opposite have consistently cried "Why should we do something that is done in other States?" There are Governments in other States that are not Labor Governments, and I think honourable members opposite would want us to believe they comprise competent people, yet they find these systems of control necessary. I do not think any member would honestly suggest that we in South Australia are so much more enlightened than the rest of Australia that we do not need to do something to assist our railway system to gain more revenue.

The Hon. G. J. Gilfillan: They inherited their systems from a Labor Government.

The Hon. A. J. Shard: Not all of them. Victoria did not.

The Hon. A. F. KNEEBONE: I have no doubt that if the Government were introducing a measure that did not apply in any other State honourable members opposite would quickly change their viewpoint and say "Why should it be done in South Australia when no one else does it?" I am certain in my own mind that honourable members opposite have no intention of trying to understand this legislation or the need for it. The Hon. Mr. Story suggested that the Government's measures would not assist secondary industry in the country. Let me say here and now that the Government made it clear (and I do not think anyone could suggest that this could adequately be placed in the legislation) that it would not take any action under this legislation to jeopardize the position of small country industries. The word "small" was used to specifically exclude at least two mammoth enterprises in South Australia and was not meant to exclude firms such as A. & G. Anson (S.A.) Pty. Ltd. In fact, I have had correspondence from this company and I have not indicated to it that it does not qualify through not being a small industry. I have recently asked it for further information on its transport costs. The Hon. Mr. Story is here creating another bogey that does not exist. He tried to suggest that the use of the words "his own land" excluded a company, operating as a primary producer, from the 8-ton exemption. I think he should read section 26 of the Acts Interpretation Act more closely, in which case he will see that words of the masculine or feminine gender clearly include corporate bodies, which

must mean that a company operating in primary production would have the same exemptions as an individual operating in primary production. The Hon. Mr. Story referred to asbestos piping and its cartage being costly. I was informed by the Railways Commissioner that the distributors of these pipes in South Australia have sent over 1,000 tons of them to Western Australia in the past 12 months. The cradles used for the rail transport of the pipes were identical with those used for road transport, so the cost of crating is not costly compared with road transport.

If this legislation was passed, the total cost of running the Transport Control Board in all its functions would be less than £40,000 per annum. The Hon. Mr. Story and the Hon. Mr. Octoman raised the bogey of passenger transport. I have previously intimated in this Council that the Government has no desire or intention to restrict the operations of the present private road passenger services throughout the State. It seems that these members also conveniently overlook the fact that if this Bill is defeated the provisions of the principal Act in respect of passenger services still remain in existence, so their comments on this matter in relation to this Bill can hardly be called relevant.

I have listened attentively to all the speeches made by honourable members on this Bill, and I commend the Hon. Mr. Banfield for his constructive attitude towards the legislation. I regret that I cannot say this about the other speakers. With regard to the provision for the Minister to reduce or remit charges, let me make it clear that its purpose is to assist secondary industries in the country in appropriate circumstances and to remit fees in circumstances of emergency warrant such action. For the information of honourable members opposite, a rail strike would be one example of this. The reference I made this afternoon could be one of these examples where an emergency was created and the Minister could then smartly remit charges so that industry in the country would not be incommoded by such a strike; but honourable members do not want this.

The Hon. G. J. Gilfillan: But industry would have no security: it could be changed at a moment's notice.

The Hon. A. F. KNEEBONE: I said "reduce or remit". The Minister would have no power to increase the costs of various items.

The Hon. G. J. Gilfillan: But there would be no security.

The Hon. A. F. KNEEBONE: I do not know what the honourable member is referring to. He seems to be objecting to the fact that the Minister could reduce the costs to transport operators. I am sure his friends supporting him would not agree that the Minister should not be allowed to make things easier.

The Hon. G. J. Gilfillan: But the Minister could raise them again without notice.

The Hon. A. F. KNEEBONE: Not above a certain standard.

The Hon. G. J. Gilfillan: But there would be no security for industry.

The Hon. A. F. KNEEBONE: What is wrong with our doing something to assist people? Honourable members opposite do not want to assist people.

Most honourable members opposite referred to the railways in such a way as to appear that they, in common with the road transport operators, resented any effective competition from this publicly owned utility. It is amply evident that their close association with the road transport operators in the recent spate of organized opposition to the Bill in country areas has strengthened their support of the long-held policy of their Party, that, if a public utility is troublesome to private enterprise, it should be placed in a position where it is less troublesome to that private enterprise. I think that this is the main reason for their opposition to the Bill, not the many and varied bogeys they have dug up to strengthen their resolve to adhere to this fundamental basis of their policy.

I was amazed to hear the Hon. Sir Lyell McEwin say that it had been announced on behalf of the Government that the Government desired the defeat of the Bill.

The Hon. Sir Lyell McEwin: I didn't make it up; I read it in the press.

The Hon. A. F. KNEEBONE: I do not know how the honourable member's reading goes but he must have had his wrong glasses on, because I have not seen anything like this published, and the Government has never expressed a desire that this Bill should be defeated. Do honourable members opposite think that we go through this sort of exercise of getting the Bill prepared and bringing it into this Chamber, only for the purpose of having it defeated? It is ridiculous to make a statement like that. There is no foundation for the publication of a statement of that nature. The Hon. Sir Lyell and other honourable members made much of the fact that the Minister

was given some responsibility in this Bill. However, this type of provision in legislation is not a new departure and has occurred only since Labor came to office. The previous Government enacted legislation that was designed to do this in other instances, such as in the Highways Act, where that Government not so many years ago amended the Act to bring the Highways Commissioner directly under the control of the Minister of Roads.

However, under the Road and Railway Transport Act the previous Government was satisfied to let the Transport Control Board administer the Act without any reference to the Minister. In these circumstances, the Minister was able to say to anybody who went to him about the Act that he could do nothing, as he had no powers under the Act. In other words, he could pass the buck.

The Hon. Sir Norman Jude: Did I understand the Minister to say that the Transport Control Board has only one employee?

The Hon. A. F. KNEEBONE: It has only one inspector. The Labor Government believes that the relevant Minister should face up to his responsibilities and not delegate the responsibility to boards not answerable to Parliament. The Hon. Mr. Geddes told us that the cost of living in the country was higher than in the city. Apparently, he has a short memory. Not so long ago members of his Party supported the employers in a claim that the differential of 3s. that existed then between the metropolitan basic wage and the country basic wage should be widened considerably, because they maintained it was much cheaper to live in the country than the city.

The Hon. Mr. Geddes praised the efficiency and the service of private enterprise with one breath, then later condemned its inefficiency in the manner of keeping its accounts and its ability to work out its own commitments under the Bill—things which their counterparts in other States seem to handle with ease. He then went on to say that private enterprise promotes trade and is able to produce an article at a realistic price. I do not know in what sense he used the word "realistic". However, I do know that when private enterprise gets a monopoly of any type of service the price may be "realistic" in one sense, but it is never reasonable. I may say here that I have recently come upon a case of "realistic" tendering by an industry where the industry thought it had a monopoly. Most of the tenderers got together and tendered the same amount to the penny. It is because of

this "realistic" approach of private enterprise that the Commonwealth Government and the States have found it necessary to draft restrictive trade practices legislation.

The Hon. Mr. Kemp effectively replied to the contention of other Opposition members that any additional cost resulting from this legislation would be borne only by country people. The Hon. Mrs. Cooper, also, did not agree with this contention. I congratulate them both for seeing this. It is evident that at least they did not join in the exercise of enticing people to sign the petitions by asking them whether they desired to support a move to reduce the cost of living in the country. This is the question some people were asked when they went to record a vote at the referendum held recently on another matter. The Hon. Mr. Kemp also said that there had been complete misrepresentation by most speakers on the position of the railways. I agree with him, but the misleading statements did not come from the members of the Government. In complete contradiction of the Hon. Mr. Story, Mr. Kemp enthused over the improvements in the railways in recent years.

The Hon. C. R. Story: Only since they got their freedom.

The Hon. A. F. KNEEBONE: I could not agree with him that, because he understood that interstate freight had increased, we should exploit this and let the rest go. I wonder what country people, particularly primary producers, would say if we did this and left them to the tender mercies of road transport operators. I have said what usually happens when private enterprise gets a monopoly. The boot would then be on the other foot and we would be getting petitions praying that the Government step in and investigate the operations of road transport.

In the case of railway charges, which have been referred to by members opposite as likely to rise if the Bill is passed, I point out that Parliament has the final say on freight and passenger rates charged by the railways. Maximum charges in all instances are fixed by regulation and cannot be altered without Parliament being aware of this, as they are required to be laid on the table of the Council.

The Hon. C. R. Story: That wasn't so in your Bill.

The Hon. A. F. KNEEBONE: Members are aware of this and, therefore, their references in this matter are solely for political purposes. I cannot follow the argument used by more than one speaker that we cannot afford the legislation because it will put us at a disadvantage

with other States. The other States each have legislation of this nature that goes much further than that proposed here. The Hon. Mrs. Cooper is also one of those who apparently wants the removal of all competition with private transport. Mrs. Cooper said that the railways were obsolescent and cumbersome and that if we did anything in the nature of what this Bill proposes we would produce commercial suicide. If my knowledge of words is correct, "obsolescent" means becoming obsolete and gradually disappearing. I have always considered Mrs. Cooper reasonable in her approach to legislation. However, after the extravagant statement I have just referred to, I could not say this of her on this occasion. Her extracts from Lord Hewart's book were hardly relevant. My previous reference to regulations being required to be laid on the table answers the points that these extracts were supposed to make. The Hon. Mr. Dawkins considered the Government had a mandate to co-ordinate transport.

The Hon. M. B. Dawkins: This Bill does not co-ordinate transport.

The Hon. A. F. KNEEBONE: But the honourable member opposes the Bill and offers no opinion on how co-ordination can be achieved. He is apparently opposed to any semblance of control to achieve this desirable object. The Hon. Mr. Octoman in his speech used the same tactics as were used by the road transport operators who organized the protest meetings and petitions. He ignored the fact that many goods were exempted and a variety of other goods were to be charged at  $\frac{1}{2}c$  or  $1c$ . He lumped them all together at  $2c$  and worked from there. He also repeated the catch-call of the road transport operators that the country people would bear any additional cost that might result from this legislation. He assessed the cost to oil companies and then said that this would mean a rise of  $2d.$  or  $3d.$  in the price of petrol in the country. I know of at least three oil companies that use rail facilities and satisfactorily compete against those using road transport. Oil companies would have a period of time in which to decide whether to construct railway facilities or continue with road transport. This does not necessarily mean an increase in petrol prices in the country.

The Hon. Mr. Octoman evidently does not think much of my integrity, despite the assurances he has given. He spoke at length on the disabilities of Eyre Peninsula in regard to the carriage of wheat and the emergency caused

when a silo is full. I have already said that Eyre Peninsula would be exempted from the provisions of the Bill in regard to its own railway system, also that the discretionary powers of the Minister under this Bill, to which members on the other side have strongly objected, are for just such an emergency in any area where a silo is full and the wheat has to be carted farther in competition with the railways.

The Hon. C. R. Story: It does not say that in clause 5 of the Bill.

The Hon. A. F. KNEEBONE: The Hon. Mr. Hart referred to the Bill as having been conceived by the Government's masters. I do not know who he refers to in this way, but I can assure him that I take full responsibility for the designing of the Bill. I might well return his taunt, however, by saying that his objections and those of some other honourable members bear the unmistakable resemblance of having been conceived by his masters—big business interests in the form of big transport operators who have, according to one honourable member, more money invested than the railways have. Mr. Hart also said, in referring to the recommendations of Royal Commissions, that they have come up with answers everyone already knew. The Commissioners have repeatedly said that there is need for control to bring about co-ordination; yet, in spite of this, he is still not prepared to agree to any control.

This afternoon I thought that the Hon. Mr. Rowe, when he started speaking, was going to give me some hint as to what could be done to bring about an increase in the revenue of the railways or some sort of transport co-ordination, but he finally got down to saying something worse than some other honourable members had said. He said it was his opinion that we should discontinue some passenger services as well as freight services.

The Hon. C. D. Rowe: I wish you would walk beside me on the service from Adelaide to Renmark.

The Hon. A. F. KNEEBONE: Co-ordination is achieved in this Bill by encouraging people to use road and rail services combined. If this is done patrons are free from all charges. Isn't that co-ordination? The £200,000 comes from permits and from those people who undertake to pay the charges rather than use rail transport. If they co-ordinate with the rail they are not liable for any charges at all, and in this way the £200,000 could go down and the £1,000,000 go up, depending on the way the people use the railways.

Mr. Rowe referred to farmers who are prepared to bring their own goods into the city and transport their own supplies out of the city. This is quite all right, as an 8-ton vehicle is exempt. He also referred to the fact that industry had not expanded recently, but I know of the big expansion that has taken place in recent times at Whyalla—the pelletizing plant and the off-shore oil rigging.

The Hon. Mr. Gilfillan has apparently said that controls in the States of New South Wales and Queensland have had no effect on the railway revenue there, but I say that the losses in those States would have been much greater if it had not been for the controls in operation. The figures in those States indicate what we can expect if we do not have some control.

The Hon. G. J. Gilfillan: The figures in those States have been getting worse.

The Hon. A. F. KNEEBONE: We have been growing and our figures will be getting worse. As I have said before, the losses have been contained to some extent simply because we have been able to economize by dieselization. As dieselization has practically finished and as there are no other avenues for increasing railway efficiency, the department's costs will rise. In view of the thoughts expressed by members opposite on this Bill, I cannot see what the future of the railways will be. I make a plea to members opposite to reconsider their decision to throw out this Bill, which I know to be their decision because of the way they have spoken.

The Council divided on the second reading:

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

Noes (14).—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. Octoman, F. J. Potter, C. D. Rowe, and C. R. Story.

Majority of 10 for the Noes.

Second reading thus negatived.

#### PARLIAMENTARY SALARIES AND ALLOWANCES ACT AMENDMENT BILL.

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

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

*That this Bill be now read a second time.*

The purpose of this short Bill, which amends the Parliamentary Salaries and Allowances Act,

1965, is to correct a drafting error that appears in the Third Schedule thereof. In clause 1 (1) (a) (i) of the Third Schedule the additional salary of the Premier and Treasurer is described as £2,500 a year. This is erroneous. The additional salary that it was intended should have been provided for the Premier and Treasurer was £2,100 a year. It was never the Government's intention that the Premier and Treasurer's salary, or for that matter any other Minister's salary, should be changed until a determination was made by the tribunal. Honourable members will recall that this was clearly stated in the second reading explanation that introduced the principal legislation. In other words, Ministers' salaries and allowances were intended to remain the same as the salaries and allowances payable to Ministers, including the Premier and Treasurer, before the principal legislation was passed. The existence of this error in the Third Schedule of the Act was brought to the attention of the Premier and Treasurer in the early part of January of this year and he gave prompt instructions to the Treasury that the error should be rectified and that an amending Bill should be prepared to correct this drafting error.

Honourable members will note that the amendment contained in clause 3 of this Bill has been made retrospective to December 23, 1965. This is the day on which the Governor assented to the relevant part of the principal Act. By so making this amendment retrospective to that day the position will be regularized and the Premier and Treasurer's salary will be what the Government intended it should have been at the time the principal legislation was presented to Parliament. This Bill is introduced simply to correct a typographical error.

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

#### CONSTITUTION ACT AMENDMENT BILL (ELECTORAL).

Adjourned debate on second reading.

(Continued from February 3. Page 3761.)

The Hon. Sir LYELL McEWIN (Leader of the Opposition): I listened with interest to the Minister's second reading explanation and could not help feeling that as he read the message he lacked conviction. I did not think his colleagues looked particularly happy, either. Why should they be? Honourable members of this Chamber know that the arguments that have been submitted on the Bill are completely invalid. This Bill is a deliberate attempt to

wreck the Constitution that has served South Australia well over the years and enabled it to prosper, despite the few natural resources with which it is endowed.

That has been stated by the Minister as being the object of the Bill, to abolish the Legislative Council and do away with the House of Review. It is the same old story that has been uttered throughout this century, every time we have had a Labor Party, almost since the Party's inception. The first thing that happens when Labor gains control of the Ministerial benches is that it announces its intention to introduce legislation to abolish the Legislative Council. It is the policy of the Party and, therefore, members are obliged to obey, although they know that there is no substance in the arguments used regarding the Legislative Council.

The Government tries to present a picture of a House of obstruction that is undemocratic, mainly because it is not on a common franchise. The history of this place has proved that it is anything but that. It has been progressive and has looked after the interests of all sections of the community, giving the public interest priority over sectional pressure groups. How many people realize that it was the Legislative Council that initially brought about the establishment of the Electricity Trust of South Australia?

The Hon. A. J. Shard: Who helped it?

The Hon. Sir LYELL McEWIN: I thought that, if I gave the Chief Secretary time, he would soon come in and help me. It does not matter who helped. I do not think the Chief Secretary was a member at that time, but that happened in the Legislative Council and it had nothing to do with the Labor Party. I shall tell the Chief Secretary what this Chamber did when certain legislation was before Parliament. It was the Legislative Council that amended the Adelaide Electric Supply Company Bill of 1944 and the whole Bill left this place completely redrafted and in another form. The Bill was amended in this Chamber when there was a Liberal Government, not a Labor Government, on the Treasury benches.

The Bill went back appointing a Commission to inquire into and report upon the supply of electricity by the company and all matters connected therewith and whether any further legislation relating to the company was desirable and, if so, the nature of such legislation. The Bill provided for a Commission to be set up, consisting of a judge of the Supreme Court, the Auditor-General and a representative of the

company and provided that two signatories could be accepted as the unanimous decision of the Commission, or words to that effect.

The result of that inquiry was not a division of opinion on the part of the members of the Commission, but a unanimous decision signed by all three Commissioners. The Commission reported in 1945 and legislation was introduced in the then current session and was finally carried in 1946. As a result of the action of this Council, practically all of South Australia today is supplied with electricity. It would not be difficult to examine Parliamentary records and find many instances where the work of this Chamber has been distinctly in the interests of South Australia.

In an effort to appear convincing, reference is also made in the Minister's explanation to deadlocks, and the Bill provides that, if the Council disagrees a second time (and I venture to say that, in those circumstances, it would have the backing of public opinion), the Government can then proclaim the legislation and ignore the Council's decision. Of course, this is only an effort to reduce the Legislative Council to complete redundancy, with no further protection, therefore, available to the people. In order to obtain some arguments, the Government cites the relationships between the House of Commons and the House of Lords in the Mother of Parliaments. However, conditions are completely different. They are in no way analogous to the conditions in South Australia.

The Parliament there consists of an elected House and a non-elected House. The non-elected House consists of hereditary peers, together with the addition, in latter years, of life peerages, which are bestowed by the Government, and there are other people, such as the Bishops of the Church and, I think, people representing the law. However, none of those is elected, and circumstances are quite different. They are not in any way responsible to the people and there is no analogy between what happens in the House of Lords and the House of Commons and what happens in the Legislative Council and in another place here.

Furthermore, the countries are entirely different. One is a comparatively small island with a population of about 55,000,000, spread all over the island, whereas South Australia consists of a huge area of land, almost a continent in area (some 387,000 square miles), with the majority of its population within the metropolitan area and in one or two cities out-

side. The remainder of the population is scattered and these people, if they had to rely on numbers, would have little representation and, consequently, they have to be taken care of by the Constitution of the State.

New Zealand and Queensland also have been mentioned by the Chief Secretary. Let us examine the position when the Councils were abolished in those places. I mention that those places are at present very interested in the constitutional setup in South Australia and visiting Parliamentarians have been impressed with what they have seen of this Chamber and its functions.

I have the best information that I have been able to obtain on this matter and was in New Zealand when the Parliament there abolished its Legislative Council. Let me tell the Chamber how that Council was established. The Imperial Act, under which the earliest appointments to the Legislative Council were made under a system of responsible Government, provided that the first appointees should be not fewer than 10 in number. The number actually summoned for the first session held in Auckland from May 24, 1854, was 16 of whom only 14 attended. The number increased irregularly for 30 years. In 1885 and 1886 it stood at 53, but did not again reach that number until appointments made in 1950 brought the total strength to 53 at the end of October 1950. The Act of the Imperial Parliament in 1868 provided that future appointments of councillors should be made by the Governor, that is, appointed by the Governor and not by the Sovereign. Until 1891 members were appointed for life but since that year appointments were made for seven years only; members, however were eligible for reappointment. That information is taken from the New Zealand Year Book of 1950. I will not read the whole of the article. I continue reading from the year book:

Before the year 1892 the honorarium of councillors was understood to be for the session, not for the year, and formed the subject of a special vote every session, the amount varying in different sessions. By the Payment of Members Act, 1892, the honorarium was made annual, not sessional, and was fixed at £150 a year. There were several alterations after that date and the rate, prior to the passing of the Finance Act (No. 3) 1944, had for several years been £315 per annum. The Act in question raised the honorarium to £375. This Act also increased the honorarium of the Speaker from £700 to £800, and that of the Chairman of Committees from £450 to £500 per annum. The Speaker also received free sessional quarters. Besides the honorarium, members

received certain privileges in respect of railway and other forms of travel, etc. Subject to certain exemptions, members not attending the Council were liable to be fined.

That was a wonderful setup for a House of Review: people appointed for life but later appointed for a term of seven years, and in no way responsible to the people; they could go along, apparently, when it suited them because they were subject to a fine if they did not attend. That is a poor example for this Chamber. I now quote the following from the Queensland Year Book of 1917, and it sounds almost Gilbertian:

The President is appointed by the Governor, who can remove him and appoint another in his stead. The President can take part in any debate, but has only a casting vote.

Members—unlimited; present number, 38. The Governor summons such persons as he thinks fit, provided that not less than four-fifths consist of persons not holding any office of emolument under the Crown, except officers of His Majesty's sea and land forces on full or half pay, or retired officers on pensions. Quorum—One-third of the members or such whole number as is next greater than one-third when the number is not divisible by three, exclusive of the President.

Qualification of Members—Being a man 21 years of age and a natural-born subject of His Majesty, or naturalized by an Act of the Imperial Parliament or by an Act of the Legislature of New South Wales before separation, or by an Act of the Queensland Legislature.

Disqualifications—Being under 21 years of age; not being a natural-born subject and unnaturalized; acknowledging allegiance to a foreign power; being a Government contractor or interested in contracts excepting as member of a company exceeding 20 in number.

Reimbursement of members—None. Free railway pass from date of being sworn in.

Tenure of seat—life.

Seat is vacated by—(1) resignation; (2) absence for two successive sessions without permission of His Majesty or of the Governor; (3) allegiance to any foreign state or power; (4) becoming insolvent; (5) being attainted of treason, or convicted of felony or any infamous crime.

Sitting days—Tuesdays and Wednesday, and at the close of the session also Thursdays and Fridays, 3 p.m.

Visitors—to the President's Gallery or within the bar, by President's order; upper gallery, by member's order.

That was the situation in Queensland, and it was more Gilbertian than the position in New Zealand. However, in New Zealand the number of members rose to 53, while in Queensland it reached 38. A different story applies in Western Australia where they have a House that is responsible to the people in some way. I quote from the Western Australian Year Book of 1962:

The qualifications for a candidate for election to the Legislative Council are that he or she shall be at least 30 years of age and free from legal incapacity, shall have resided in Western Australia for a minimum of two years, be a natural-born British subject or have been naturalized for five years and resident in the State during that period. A member of the Legislative Assembly, a judge of the Supreme Court, a minister of religion, an undischarged bankrupt or a debtor against whose estate there is a subsisting order in bankruptcy may not be elected to the Legislative Council.

To qualify as an elector a person must be at least 21 years of age and not subject to any legal incapacity, be a natural-born or naturalized British subject resident in Western Australia for six months, and possess certain property qualifications relating to freehold, leasehold or householder occupancy. Preferential voting applies to Council elections and voting is not compulsory.

That is something similar to the conditions existing in this State. Regarding the position in Tasmania, my information is taken from Walch's Tasmanian Almanac 1965-66. This should be up-to-date and, incidentally, it comes from a State where there is a Labor Government that is apparently happy with conditions there.

The Hon. A. J. Shard: I would not say that.

The Hon. Sir LYELL McEWIN: I quote:

Members hold their seats for six years. Members are to be 25 years of age, qualified to vote as electors, and having been resident in Tasmania for a period of five years at any one time, or at least two years immediately preceding the election, and to be subjects of the King, either natural-born or naturalized.

Persons not eligible as members—members of either House of Parliament of the Commonwealth of Australia; judges of Supreme Court; persons holding offices of profit or emolument by the appointment of the Governor or the Governor-in-Council, except responsible Ministers; contractors on account of the Public Service.

Electors (male or female) to be 21 years of age, and to be natural-born or naturalized subjects, and resident in Tasmania for a period of six months at any one time. Qualifications—owner of freehold estate; occupancy of property; spouse of a person qualified as either owner or occupier; degree of any university in British Dominions; . . . soldiers, sailors, and nurses who have been on active service in the war, 1914-1918, or who served outside Tasmania in the war which commenced on September 3, 1939.

Under the Electoral Act, 1928, . . . voting was made compulsory for all electors not distant at least five miles from a polling booth on the day of election and under the Electoral Act, 1930, . . . enrolment of persons qualified to be electors was also made compulsory.

Disabilities.—Any person who is of unsound mind, or who is in prison under any conviction.

I have cited the two examples of Queensland and New Zealand, which have been mentioned by the Government. I have also cited examples of other States that have an effective House of Review. We know that New South Wales has a House of Review and the Labor Government there chose to go to the people on the question of its abolition. The answer was that 60 per cent voted against its abolition. In that State 60 members are elected for 12 years, 15 being elected every third year by both Houses. This demonstrates that the principle of some continuity of membership and experience is regarded as essential in a House of Review. In other words, it is not merely an echo of another place, at one single election at any one time. Western Australia has a different system. There, 30 members are elected for six years from 10 provinces, 10 members retiring every two years. In other words, there is always some stability in the representation in the House, only one small section retiring at intervals. In Tasmania, 19 members are elected for six years from 19 districts, at least three retiring every year. Again, there is a majority of members in the House who are accustomed to the responsibilities of a House of Review.

In view of these comparisons, South Australia must consider itself fortunate that the founders of its Constitution acted so wisely in providing safeguards against hasty and undemocratic legislation that reacts unfavourably upon the people. A common roll, as provided for in the Bill, has not been adopted by the Labor Government in Tasmania. Although I have indicated to honourable members what the position is there, and in spite of the fact that the Chief Secretary suggested that they do not like it, I know of no attempt to alter it. Whether that is responsible for giving the Government there a long tenure of office I do not know. It may be that the advantage it has of a House of Review keeps it on the rails. At least, they have not altered the position, because what I have told the Council is the position as it was recently.

So far as the Bill applies to the House of Assembly, the promise not to reduce country representation in another place has been made meaningless by the increase of city seats to 30. Cities outside the metropolitan area have been kept under the banner of country seats. The one vote one value principle, which has been stressed so much by the Government, is not uniform, and the proposals break away from that Party slogan in the variations it has made in the number of votes and electorates.

Two country electorates have been specially singled out for fewer electors. It is interesting to note what we have heard over the years from members opposite about the present electoral boundaries being gerrymandered by the previous Government. On two occasions (in 1949 and 1955) a commission was appointed to report to Parliament. After being reported upon and examined, those boundaries were accepted unanimously by Parliament; there was no division. They were accepted by the Labor Party, so it had the same responsibility in that respect as the other Party.

The Hon. S. C. Bevan: Were not those commissions restricted in their terms of reference?  
The Hon. Sir LYELL McEWIN: The Bill was referred to Parliament and accepted. If the honourable member or his Party had any objection at the time to the methods adopted for the decision of the commission, they had the opportunity to express their dissension in a vote in this Council. That was not done and, under this Bill, nobody will have the opportunity to do it. It is a different proposition from that put to Parliament at that time, when it had the opportunity of discussing the recommendations that came from that commission.

That brings me to the most contentious part of the Bill—the powers vested in this commission. When the Minister spoke to another measure a few moments ago he referred to control by Parliament and said he did not favour giving control to committees as he put it. Yet, here we have a Bill appointing a commission that can make recommendations that can be proclaimed without their being presented to Parliament in any shape or form. It completely takes over the powers of Parliament. The only people who have any opportunity to do anything about it are the Government, which appoints the commission, because it is responsible as an executive for the actual proclamation; Parliament does not approve it. It is an agreed recommendation, which automatically becomes law provided it is satisfactory to the Government and its masters. We on this side are all free in this Council to review, and are not responsible to Caucus or any outside organization. I intend to hold on to that freedom, not only for myself and other honourable members here but also for the people of South Australia, so that they will never lose the opportunity of having what they have had for 100 years—a House of Review responsible to the people and elected on a moderate franchise, a distinction being made between another place and this Council, where honourable members are

able to exercise their discretion with no discrimination on the part of any section of them. It is preposterous that Parliament should be asked to delegate its responsibilities to a commission such as that set up under the Bill, being not responsible to the people. I can only surmise (I am sorry, but I have become a little suspicious about these things) that the Bill is just another sham to embarrass the Council. Many Governments have tried it before, including the Verran, Gunn, Vaughan and Hill Governments. They all had a shot at it, and they were not all defeated in this Council: they were defeated or the legislation lapsed in another place, showing that the enthusiasm for it was not very great. Its unpopularity was soon evident. I think this is just another sham and an attempt to embarrass the Council. Consequently, I intend to vote against the second reading.

The Hon. C. D. ROWE secured the adjournment of the debate.

#### ELECTRICITY TRUST OF SOUTH AUSTRALIA ACT AMENDMENT BILL.

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

#### THE FLINDERS UNIVERSITY OF SOUTH AUSTRALIA BILL.

Adjourned debate on second reading.

(Continued from February 3. Page 3778.)

The Hon. C. D. ROWE (Midland): I propose to follow the same course as I have followed on most Government legislation this session, and support the Bill. On odd occasions I have found it necessary to do otherwise, but on most occasions I have supported Government legislation. I approve wholeheartedly of the name chosen for this university. I do not know who was responsible for making the suggestion: whether it was the University Council, the Minister of Education or the members of Cabinet. Whoever was responsible (and after these remarks I presume everyone will claim to be) I congratulate, because it is a name that is easy to pronounce and free from improper interpretation. Although I am pleased to support the name, I sincerely hope that some day, when there is a major enterprise that will continue for years to come and play an important part in the history of the State, the name of the Hon. Sir Thomas Playford will be considered because of the work he has done for this State over a long period,

irrespective of Party politics. I hope his name will be placed in such a way that it will live in succeeding generations.

The second reading explanation gives a history of the development of this university, which goes back, I think, to 1959, when it was first suggested that a site should be found for a new university. In 1961 the Playford Government indicated that it would make this site, consisting of 370 acres at Bedford Park, available. Between 1959 and 1962 plans were drawn and submissions prepared, I presume by the Council of the University of Adelaide. These were submitted to the Australian Universities Commission in 1962. The commission in that year went as far as saying that it recommended that more detailed planning be done. In the 1964-66 triennium, capital grants of £3,000,000 were made by the commission towards this university, and a grant of £1,000,000 was made to meet recurrent expenditure in connection with its establishment. By January, 1966, all the works that had been approved by the Australian Universities Commission, with the exception of the hall of residence, had been completed, so virtually the university had reached the stage where it was ready for business (if that is the appropriate term) at the beginning of this financial year.

Apart from preparing the site and erecting the buildings, academic staff had to be recruited. I think 16 professors and 40 lecturers have been appointed to the staff so that they will be ready to receive an estimated 450 students at the beginning of this academic year. It has been said that it is hoped that the university will be able to enrol a certain number of first-year medical students. I hope this will be possible, as I heard over the radio this morning (I am speaking from memory and if I am wrong I hope someone will correct me) that about 200 students who wanted to study medicine could not be accepted in the medical school at the Adelaide university this year. I do not know whether that is so, but if it is I sincerely hope that every effort will be made to get the medical school at the new university in operation, as there is a very great shortage of medical men in this State, particularly in country areas, and the sooner we can get more through the university to assist the better it will be for everyone concerned.

The Hon. S. C. Bevan: Many do not make the grade, do they?

The Hon. C. D. ROWE: That is so, and that applies to every profession. It is a great mistake for anyone who has not the capacity to get through a university course to attempt

to do so. Some of the most difficult problems with which I have had to deal have been those in which boys and girls who have not had the capacity to do university courses have wasted two or three years of their lives trying to study in these courses, whereas they should have been doing courses at the Institute of Technology as tradesmen. These people have become disillusioned and it has been difficult for them, because of the years that have gone by, to find a proper niche in life. I sincerely hope that there will not be very much wastage.

The Hon. F. J. Potter: There has not been very much wastage in the later years in medicine.

The Hon. C. D. ROWE: No. If it is discovered that the student has not the capacity to study, the sooner this is rectified the better it will be for all concerned. It has been decided, after careful consideration, that the Flinders university should operate as an academically autonomous campus. I think one would almost need to be a member of the university to understand this language, which I understand means that it will be an entirely separate entity that will manage its own affairs. What pleases me is that this has been achieved with the complete approval of the University of Adelaide. These two independent institutions will go along, one with the blessing of the other.

The Hon. A. J. Shard: With the assistance of the other, as well.

The Hon. C. D. ROWE: With the assistance and blessing of the other, the same as the Labor Party goes along in this Council with assistance on the majority of the legislation that is brought before it. I hope that everything possible can be done to maintain that happy relationship, because I think that will be to the advantage of everybody concerned. I must not refer to the debates in another place, but a suggestion was made there that the convocation of the university is smaller than is provided for the University of Adelaide and is constituted differently.

The point has been raised whether it would be possible, in certain circumstances, for the convocation to be dominated by representatives of the academic staff of the university. I do not think that that would be a good thing. The academic staff are the employees of the university and, while they have their rights and can make a great contribution, it would be unfortunate if they were a dominating influence in the control of the university. The Government has certain rights in regard to the

appointment of members of the university council. I understand that the Chancellor is appointed by the Government, but I am not sure of that.

The Hon. F. J. Potter: By the university council.

The Hon. C. D. ROWE: There is the Vice-Chancellor, the Director of Education, and three members elected by the Parliament of South Australia, so we have some say as far as they are concerned. The Governor will appoint three members, and I hope that his advisers will look at this carefully.

The Hon. A. J. Shard: We will look at that as carefully as we considered the naming of the university.

The Hon. C. D. ROWE: I am happy about that. If the recommendation is made to the Governor after the Government knows who are the other representatives, it will be possible to give a balance to the appointments, because when we look at the other appointees we see that two professors, two members of the academic staff and the President of the Students Representative Council are to be members. Eight members are to be elected by the convocation and not more than three members are to be co-opted by the council.

Therefore, there will be two professors and two lecturers (four members) and the President of the Students Representative Council who, although he is restricted in regard to certain voting rights on the council, is from what can be called the academic side. The eight members elected by convocation could be any persons. They could be from the academic staff. Then, three members are to be co-opted by the council. We see that eight of the 25 members are to be elected, three are to be co-opted and four are staff members. It could be that this could become top heavy with representatives from the academic side of the university and I hope that the Government will watch that angle when it is considering appointing its own members. It is something that Parliament may have to consider when it is appointing its representatives to the council.

In general terms, there is a difference in regard to the membership and size of the council as compared with that of the University of Adelaide. I think that in other causes the powers that the council is to have are almost the same as those of the council of the University of Adelaide, but there is a difference so far as the power to mortgage is concerned. The Minister said in his second reading explanation:

Clause 25 confers upon the council power to borrow money by way of mortgage, bank overdraft or otherwise for the purpose of carrying out or performing any of its powers, authorities, duties, functions and for the repayment or partial repayment of any sum previously borrowed within such limits as the Governor, upon the recommendation of the Treasurer, may from time to time approve and also to mortgage, charge, etc., any of its property as security for any such loan. This clause also empowers the council to invest any moneys in such investments as are authorized by the council. This clause has no counter-part in the University of Adelaide Act but it is considered by the Government a desirable additional power to confer upon the council.

I assume that, with a new and growing university, which will need to be expanded quickly if the demands of the State are to be met, it is apparently considered that, in addition to the sources of finance that will be available to it by way of Government grants, students' fees, and so on, it may be necessary for the university to mortgage its own property. Admittedly, a mortgage is subject to the approval of the Treasurer, and the university has not a free hand in the matter, but in this kind of institution I do not think that the power to mortgage is a good power to have, because it simply means that, if money is borrowed on mortgage, part of the income in future years is absorbed in the payment of interest on that mortgage.

I think it is sometimes better to hasten a little more slowly so that what one holds is free from encumbrances and, therefore, grants made are available for additional buildings and other extensions. However, I assume that this has been thoroughly investigated by the appropriate officers and, as it is a new power, I have no doubt that it has been considered

desirable. Nevertheless, I express the hope that the power will be used sparingly, because once mortgages are created there is a tendency to allow them to continue, and paying interest does not help so far as a university is concerned.

The Hon. S. C. Bevan: You agree that any proposal would be carefully scrutinized, do you?

The Hon. C. D. ROWE: I agree. I do not know whether the Minister has better experience than I have on this matter, but I remember seeing a cartoon in which an heir to a castle was showing his friends around the walls of the castle and on the walls were displayed photographs of all his ancestors. The heir introduced his ancestors in this way: "These are photos of the people who made the mortgage what it is today."

I do not think we want that to happen as far as the university is concerned. We want it unencumbered and I hope that the power to mortgage will be used sparingly, if it is used at all. I wish this university every success and congratulate all those who have been associated with the tremendous amount of work that must have been done in the planning stages of the project. I congratulate them on the amicable way in which they have worked with the officers of the University of Adelaide and I hope Flinders university will grow to be an institution of which this State can be justly proud, as it is of so many other of its institutions, including the Legislative Council.

The Hon. JESSIE COOPER secured the adjournment of the debate.

#### ADJOURNMENT.

At 4.56 p.m. the Council adjourned until Wednesday, February 9, at 2.15 p.m.