LEGISLATIVE COUNCIL

Tuesday, August 9, 1966.

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

QUESTIONS

The PRESIDENT: Before I call on honourable members for questions, I should like to draw the attention of all honourable members to the rules relating to the asking of questions. Chapter XIII of the Council Standing Orders lays down certain rules in relation to questions, and Blackmore states:

As the object of questions is simply to elicit information, they are surrounded by the law of Parliament with strict limitations, which extend also to replies.

In interpreting the laws of Parliament and the limitations imposed, our Standing Order No. 1 states, *inter alia*:

The President shall decide, taking as his guide the rules, forms and usages of the House of Commons . . . so far as the same can be applied to the proceedings of the Council or any Committee thereof.

May, 17th edition, page 350, states:

Questions addressed to Ministers should relate to the public affairs with which they are officially connected, to proceedings pending in Parliament, or to matters of administration for which they are responsible. Within these limits an explanation can be sought regarding the intentions of the Government but not an expression of their opinions upon matters of policy.

Examples of inadmissible questions are set out in May on pages 352 to 355 and I have had these circulated to all honourable members for their information. I ask honourable members to take notice of the questions that may not be asked in the Council.

WATERWORKS NOTICE.

The Hon. Sir LYELL McEWIN: I ask leave to make a statement prior to asking a question concerning public affairs and administration.

Leave granted.

The Hon. Sir LYELL McEWIN: My attention has been drawn to an unsigned roneoed notice purporting to come from the Engineering and Water Supply Department, which was placed in a letter box. It is addressed to the "Owner or tenant", and it states:

Dear Sir/Madam:

Within 9/8/66 an inspection is to be made of the sewer drains and plumbing fixtures on premises occupied by you. Workmen employed by this department have identification cards which can be produced on request.

In accordance with Standing Orders I have no comment to make on that. Can the Minister who is in charge of the Statutes Amendment Bill before this Chamber say whether this is a notice under the clause in the Bill that states:

Notwithstanding anything in this section the Minister or any person acting on an order under the Minister's hand shall not be entitled to enter and inspect any premises under this section unless the owner or occupier has been given reasonable notice of intention to enter the same.

If the answer is in the negative, can the Minister say what is the purpose of the inspection, and does he consider that an unsigned notice is a proper intimation of intention to enter private property?

The Hon. A. F. KNEEBONE: I cannot answer the question offhand, but I will convey it to my colleague, the Minister of Works, and bring back a reply as soon as possible. Because of the Bill before the Chamber, it is necessary to obtain an answer urgently, and I shall impress this upon my colleague.

INFLAMMABLE CLOTHING.

The Hon. G. J. GILFILLAN: Has the Chief Secretary an answer to the question I asked on August 2 regarding the use of inflammable material in the manufacture of children's clothing?

The Hon. A. J. SHARD: A similar question was asked of the Premier in another place, and the answer to the honourable member's question is identical to that given by the Premier. The Government knows of no legislation in Australia on this subject. The Textile Products Description Act does, however, require those textile products to which the Act applies to be labelled with a description of the materials used in such products. There is a similar Act in each of the other States and the Commonwealth Commerce (Imports) Regulations make similar requirements. This was achieved by a series of conferences between Ministers and departmental officials of Commonwealth and State Governments a number of years ago. There would be no point in one State passing a law to control the inflammable content of clothing, unless similar action was taken by all of the other States and the Commonwealth.

After discussing the matter with the Minister of Labour and Industry, inquiries will be made to ascertain whether any similar action is contemplated in any of the other Australian States, and the matter will be raised at the next conference of the heads of the Commonwealth and State Labour Departments. For the benefit of

honourable members, I can say that I do know another State is interested. Yesterday I received correspondence on the same subject matter and this has been referred to the Premier.

BOTTLE DEPOSITS.

The Hon. D. H. L. BANFIELD: Has the Chief Secretary an answer to my question of July 19 regarding bottle deposits?

The Hon. A. J. SHARD: The Premier, who referred the question to the Prices Commissioner, has supplied the following information:

The Prices Commissioner has reported that several manufacturers have commenced to market soft drinks in a non-returnable 10-oz. bottle in addition to their normal range of returnable bottles, as it is considered that there is a limited demand for this type of bottle. The retail price is slightly higher than the "contents only" price of a returnable bottle, but is less than the price including the deposit.

10-oz. bottle—

Contents only	8c
Price including deposit	13c
Price of non-returnable bottle ..	10c

One metropolitan manufacturer has commenced producing a 13-oz. non-returnable bottle and costs are being examined. The introduction of the "one-way" bottle follows an Australia- and world-wide trend. In the United States of America, where this bottle has been available for several years, it is not a significant proportion of total sales. It will not supplant the present method of marketing of soft drinks, but for those people who wish to have the convenience of a non-returnable bottle it will be available.

SOUTH ROAD INTERSECTION.

The Hon. JESSIE COOPER: I ask leave to make a brief statement before asking a question of the Minister of Roads.

Leave granted.

The Hon. JESSIE COOPER: From time to time we hear questions asked of the Minister of Roads concerning a certain section of the South Road. I wish to ask a question of him concerning a section of that road within Central No. 2 District—the intersection of Sturt Road and South Road. As honourable members know, this intersection is becoming busier every day, and the volume of traffic passing through the intersection will increase greatly as Flinders university grows. That has been so ever since the university was opened. At present the South Road is being widened and I understand that traffic lights are to be installed at this point. Can the Minister say whether it will be possible for the proposed installation of traffic lights at the Sturt and South Roads intersection to be expedited?

The Hon. S. C. BEVAN: As the honourable member has mentioned, this matter is in hand: it is intended to have these lights installed at the intersection referred to. I do not know whether this matter can be further expedited but I will have it investigated and report back to the honourable member.

REEVES PLAINS SCHOOL.

The Hon. M. B. DAWKINS: Has the Minister representing the Minister of Education a reply to my recent question about the proposed closing of the one-teacher Reeves Plains School?

The Hon. A. F. KNEEBONE: Yes. My colleague the Minister of Education advised me that the Education Department had received a request signed by the parents of all children attending the Reeves Plains Rural School for transport to Mallala following the marriage of the present teacher during the forthcoming vacation. No mention was made of the approaching centenary celebrations by the deputation that interviewed the departmental officer concerned. No move has been made to close the Reeves Plains School precipitately. The parents consider that it would not be in the interests of their children to have another teacher appointed to Reeves Plains Rural School for the last term of the 1966 school year and to transfer to Mallala in 1967. My colleague has, therefore, approved the closing of the Reeves Plains Rural School by consolidation to Mallala Primary School as from the close of business on August 26, 1966.

BURR-INFESTED STOCK.

The Hon. R. A. GEDDES: I ask leave to make a short statement prior to asking a question of the Minister representing the Minister of Agriculture.

Leave granted.

The Hon. R. A. GEDDES: On about July 16 some 79 horses passed through the Cockburn agricultural road block into South Australia from New South Wales. Over half these horses were heavily infested with noogoora burr on their mane, tail and fetlocks. The horses then travelled into the State for a distance of about 80 to 90 miles. Will the Minister seek an assurance from his colleague that every endeavour will be made to stop future movements of burr-infested stock into the State from the Eastern States?

The Hon. S. C. BEVAN: I will refer the question to my colleague the Minister of Agriculture for investigation.

EQUAL PAY.

The Hon. F. J. POTTER: Has the Minister representing the Minister of Education a reply to a question I asked last week about the Teachers Salaries Board and equal pay for men and women teachers?

The Hon. A. F. KNEEBONE: I have received the following reply from the Minister of Education:

In previous awards the salary of a class II infants mistress has been equated to the female rate of a class IV headteacher, and the salary of a class I infants mistress to the salary of a class III headmaster. At the request of the Chairman of the Teachers Salaries Board, the Director of Education, representing the Minister, conferred with representatives of the South Australian Institute of Teachers and agreement was reached that this principle should continue. This agreement was ratified by the Teachers Salaries Board.

JURY VERDICTS.

The Hon. L. R. HART: I ask leave to make a short statement prior to asking a question of the Chief Secretary, representing the Attorney-General.

Leave granted.

The Hon. L. R. HART: In view of your statement about inadmissible questions, Mr. President, I ask this question with some trepidation. A recent article that appeared in the daily press, which referred to the jury system as it operated in England, stated:

England's 700-year-old insistence on unanimous verdicts by its 12-man trial juries may be dropped because of growing attempts to bribe and threaten jurors. The present system, introduced by the Norman invaders, will probably be scrapped in favour of a 10-2 majority method.

As our jury system is based on the English system, will the Chief Secretary ask the Attorney-General whether, if the British system is changed, our system will change also?

The Hon. A. J. SHARD: I am no lawyer, but to the best of my knowledge majority verdicts are accepted in certain cases in this State. However, I shall refer the question to the Attorney-General, find out the exact position, and let the honourable member know.

VICTORIA SQUARE.

The Hon. Sir NORMAN JUDE: Recently I asked the Minister of Roads a question about Victoria Square in which I expressed some concern that, from the diagrams that had appeared in the daily press, it appeared possible that Victoria Square might become a country bus terminal, and the Minister offered to obtain a report from the Adelaide City Council about its attitude. Has he obtained that report?

The Hon. S. C. BEVAN: As promised, I referred the matter to the Adelaide City Council and received the following reply from the Town Clerk:

It appears that Sir Norman Jude's question refers to the proposal to modify the layout of Victoria Square and, in relation to this, my council recently discussed the re-location within the square of the stopping places for the picking up and setting down of passengers travelling on suburban buses, either operated or licensed by the Municipal Tramways Trust. Similar stopping places already exist on the north-south central roadway and the western roadway, and no change in the type of use is contemplated. As one of the five participating agencies conducting the Metropolitan Adelaide Transportation Study, the council has been most careful to ensure that the proposed changes in Victoria Square will be satisfactory from the traffic and transportation viewpoints.

MORPHETT VALE BUS SERVICE.

The Hon. R. C. DeGARIS: I ask leave to make a statement prior to asking a question of the Minister of Transport.

Leave granted.

The Hon. R. C. DeGARIS: I have recently received complaints from the Morphett Vale area that bus services to the city between 6 p.m. and 11 p.m. are inadequate to cater for the demand. This has an effect particularly on apprentices, those attending night school, and other students. Will the Minister of Transport investigate this matter and see whether it is possible to improve the service between these hours?

The Hon. A. F. KNEEBONE: I will call for a report on this matter.

BRUCE BOXES.

The Hon. H. K. KEMP: Has the Minister of Local Government obtained a reply to my question of July 19 about Bruce boxes?

The Hon. S. C. BEVAN: My colleague, the Minister of Lands, acting for the Minister of Agriculture, informs me that not all of the reports mentioned by the honourable member are presently available in the department but that arrangements are being made to obtain the full set of reports. I have an assurance that all information will be given careful consideration as soon as it is available.

CONTAINERIZATION.

The Hon. R. A. GEDDES: Has the Minister of Labour and Industry an answer to my question of August 3 regarding containerization?

The Hon. A. F. KNEEBONE: The present intention is that there will be no change in the amount of oversea general cargo passing over the board's wharves. The cargo will, however, be either containerized, palletized or otherwise unitized into large lifts and transported to and from Melbourne in a special feeder ship. Transport to and from the United Kingdom or Europe will be by fast container ships calling at only one port in Europe and one port in Australia. Unitized cargo can be handled up to 10 times faster than conventional loose cargo and this fact, coupled with one-port loading and unloading, is the economic basis of the "containerization" concept. It should not be overlooked that less than one-quarter of the cargo passing over the Port Adelaide wharves is containerizable and a fair proportion of that travels between countries other than the United Kingdom and Europe.

RAILWAY SIGNS.

The Hon. R. A. GEDDES: Has the Minister of Transport an answer to my question of June 30 regarding railway signs?

The Hon. A. F. KNEEBONE: I have a reply, and I hope it does not contain any tongue-twisters, as my last answer did. An illuminated station sign has been provided at Yacka during reconditioning of the station lighting, and it is hoped to undertake similar work at Gulnare and Georgetown during the coming financial year. At other locations on the route where electric power is available the installation of illuminated signs will be undertaken when re-wiring is found to be necessary. The estimated cost of installing this type of station sign-board at all stations between Balaklava and Gladstone is estimated to cost $600, and in view of commitments elsewhere it is proposed to do them as stated above. Otherwise it will be necessary to defer more urgent work elsewhere.

GOWLEY CASE.

The Hon. H. K. KEMP: My question refers to the inhumane circumstances in which the Gowley family of Meningie were placed last week. Can the Chief Secretary say how many cases of such prosecutions for debt there have been in the last few months in courts in New South Wales and other States? I know that these cases were kept under strict review by the former Attorney-General, who has often referred to them. Can the Chief Secretary say whether this practice can be continued?

The Hon. A. J. SHARD: Obviously, I am not in a position to answer the question. I do not know what the previous Attorney-General did. However, I shall refer the question to my colleague, the Attorney-General, in order to ascertain whether I can get a clear answer for the honourable member.

SALISBURY TREES.

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

Leave granted.

The Hon. L. R. HART: In Saturday's newspaper there was a report (together with a photograph) entitled, "Salisbury gums fall before bulldozers." The report refers to the need to remove some very old and stately gum trees to make way for a proposed freeway. I understand that the actual route of the proposed freeway will not be decided until the Metropolitan Adelaide Transport Study Group has completed its investigations. The report goes on to say that the freeway route, as now planned, will require the removal of more trees. Can the Minister say whether the route has been decided and, if it has not, whether it is possible to spare these gum trees until the route has been decided?

The Hon. S. C. BEVAN: This matter is receiving consideration by the Highways Department at present.

MOUNT GAMBIER INDUSTRY.

The Hon. R. C. DeGARIS: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. R. C. DeGARIS: Recently an industry that had been operating in Mount Gambier for about 20 years closed and the *Border Watch* of a week or two ago reported that this was the fourth business in Mount Gambier to close in the last few weeks. As the policy speech of the Government contained certain promises and undertakings in regard to decentralization of industry, can the Leader of the Government in this Chamber give any information on any action that the Government can take to see that industries already established in country areas continue to operate?

The Hon. A. J. SHARD: Nobody likes to see any industry closed but, unfortunately, one or two have closed in the last few months, through no fault of this Government or of the previous Government. I have not the faintest

idea of the business to which the honourable member refers but I shall take the question up with my colleague, the Premier, whose department may be able to provide a reply. There may have been a good reason for the closure; I do not know. I have my own suspicions about the question.

TORRENS GORGE ROAD.

The Hon. H. K. KEMP: I ask leave to make a statement prior to asking a question of the Minister of Roads.

Leave granted.

The Hon. H. K. KEMP: The wet weather has resulted in some heavy rock falls on the new road through the Torrens Gorge. Recently, a friend of mine, who is in practice as a geologist, gave the opinion that sections of the road are in a very dangerous and precarious state. I assume that this matter is under review, but can the Minister say whether he is sure that the necessary geological knowledge is held by the officers responsible for this review?

The Hon. S. C. BEVAN: I certainly do not agree with the comment of the honourable member that parts of the new road are in a dangerous state. If that were so, the road would not be open for traffic at any time at all. However, I shall refer the matter to the department for investigation and obtain a full report.

FISHING BOATS.

The Hon. R. C. DeGARIS: I ask leave to make a statement prior to asking a question of the Minister of Labour and Industry, representing the Minister of Agriculture.

Leave granted.

The Hon. R. C. DeGARIS: I have been informed by some fishermen in Southern District that fishing boats are still operating on the coast of South Australia without a full survey having been completed; in other words, a survey certificate has not been issued in respect of these boats. I also understand that some boats are being called up for second surveys while, on the other hand, the first certificates have not been issued in respect of other boats. Will the Minister obtain from his colleague in another place information as to the position regarding the survey of fishing boats in South Australia?

The Hon. A. F. KNEEBONE: I think this question should be addressed to the Minister of Marine, because the Harbors Board carries out the surveys. I shall convey the question to that Minister and obtain a report for the honourable member as soon as possible.

BUILDING INDUSTRY.

The Hon. C. M. HILL (on notice):

1. Has the Government any plans by which it can assist in preventing the downward trend in the building industry in this State?

2. If not, will the Government consider instigating an inquiry into all aspects of the building industry, with a view to taking measures to arrest the present alarming position?

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

1. As far as the Government sector is concerned, every effort has been made to prevent a downward trend in building. The Housing Trust completed last year an above-average number of houses, while the expenditure of the Public Buildings Department and the Engineering and Water Supply Department tended to be in excess of the Loan moneys available. Both these sectors of Government will continue to build to the limit of the Loan funds available to the State.

2. Since the level of building depends on the funds available and this, in turn, depends on the size of the Loan programme approved by the Commonwealth Loan Council and the amount of private finance available through lending institutions, it is difficult to see how an inquiry into all aspects of the building industry will produce more funds. The amount actually loaned on mortgage in South Australia last year, according to records at the Lands Titles Office, was considerably in excess of any previous year.

PUBLIC WORKS COMMITTEE REPORTS.

The PRESIDENT laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Agincourt Bore Area School,
Port Lincoln Tuna Berth,
Department of Chemistry and Medico-Legal Institute Building.

ROAD TRAFFIC ACT AMENDMENT BILL.

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

STATUTES AMENDMENT (WATERWORKS AND SEWERAGE) BILL.

Adjourned debate on second reading.

(Continued from August 2. Page 770.)

The Hon. M. B. DAWKINS (Midland): One purpose, if not the main purpose of this Bill, is to enable the quarterly payment of water and sewerage rates, and various clauses of this

Bill set out to amend the existing Waterworks and Sewerage Acts accordingly. We have recently been dealing with a source of water supply and I said then, particularly in relation to underground water, that adequate supplies are vital to us all. It is no less vital from surface storages than from underground supplies. I have also commented recently on the high costs of pumping water and the increasing expense of ensuring an adequate supply as the State develops.

Being aware of these increases in cost, I am also aware that, despite the fact that this Bill enables quarterly payments and makes certain other provisions, its main purpose seems to be more revenue and, to some extent, I do not quarrel with that. The fact that we will pay more under this Government seems inevitable—so far from living better with Labor, we are paying more with Labor. I am not quarrelling with the fact that we have to pay some more, as I realize the State is developing, costs have gone up, and some increase in charges is inevitable, but I do object that the community is paying so much more and will apparently continue to pay so much more.

I consider that the increases that have been made are too much at a time—or too great a percentage. I have said before that the Government is too fond of having two bites at the cherry—and often almost at one and the same time. Increases in assessment will almost inevitably mean—as they have meant in other fields —considerable increases in payments by the community. I consider that the Hon. Sir Lyell McEwin hit the nail fairly on the head when he said, in effect, that no doubt the Government believed the increases would be less apparent but more palatable—

The Hon. D. H. L. Banfield: Have a look at the Bill. The people can pay the bill in one payment.

The Hon. M. B. DAWKINS:—if spread over four payments in a year than if they had to be paid in the one payment.

The Hon. D. H. L. Banfield: It is in the Bill and the honourable member can see it there.

The Hon. M. B. DAWKINS: I am wondering whether I have the floor or whether the Hon. Mr. Banfield has the floor. If he keeps quiet I shall put the facts before the Council. However, I have no particular quarrel with quarterly payments in the metropolitan area, as many city people may prefer it that way. I do have some reservations about quarterly payments in country districts, where income is very largely confined to one or two main payments in the year; in most cases it will still suit the man on the land and some other country people to make one payment. I am glad to note that this may continue as a result of an amendment inserted, I believe, in another place at the instigation of the Opposition. I hope that it will be possible to enable this payment to be made after harvest and not in the middle of winter, as is envisaged in the amendment as I see it at the present time—that one can pay the whole of one's water rates, plus the excess water payment for the previous year, in one payment, probably in July. I emphasize that the beginning of the financial year is not a time when country people are in a position to make large payments. Even a quarterly payment plus the excess water payment for the whole of the previous year can be embarrassing at this time of the year if they are working on bank overdrafts. Many farmers are doing their bit by developing their properties and expanding their activities, thereby contributing to the general expansion and well-being of the State.

The Hon. C. R. Story: That would apply to shopkeepers in country areas as well?

The Hon. M. B. DAWKINS: Yes; it would apply to people other than those on the land—to people in business, for example. There is a provision about local government rates that enables ratepayers in country areas to postpone paying their rates until February 28. Some two or three years ago there was a move to alter this. I think it was proved conclusively to this Council that it was necessary for this to continue. An amendment should be inserted in this Bill to make possible a similar arrangement so that men on the land can meet their commitments at a time when they have money in hand and not at a time when they may need their overdrafts extended and may have difficulty in getting accommodation in that direction. Although I support the Bill generally, I am not happy about the provisions relating to altering assessments during the year. To my mind, that can only bring about adjustments, which would almost always mean increases.

Even for John Citizen in the city the initial stages of the operation of this Bill will not be palatable. If he pays his water rates and excess water charges in, say, November of this year, he will be confronted with another account for one quarter's rates plus his excess water charges seven or eight months later—plus a

further account three months later again. So it is probable that he will have to pay three accounts within 12 months, including possibly two accounts for excess water. In other words, the average citizen in the metropolitan area will pay in November of this year, for example, all of his rates for 1966-67 (the normal practice) plus the excess charges, if any, for the previous year, 1965-66, up until June 30, 1966.

If the accounts are rendered under the new arrangement promptly after July 1, 1967 (and I understand that the new computer that has been referred to and which was on the way during the regime of the previous Government will be used to issue those accounts promptly) the citizen will then have to pay the first quarterly payment plus the excess water charges for the whole of 1966-67, up until June 30, 1967. Then he will have the usual quarterly payments —and, when I say "the usual", it will become the usual quarterly payment and will no doubt be stepped up following the assessment. He will have this payment to make as well on or around October 1, 1967. So the average man in the street will be making three payments to the Engineering and Water Supply Department within a period of 12 months. He will not be very happy about this, and I draw the Minister's attention to it.

I am not happy, either, about the extra powers of inspection in clause 4 of the Bill with reference to the Waterworks Act and in clause 15 with reference to the Sewerage Act. I fail to see the necessity for assessors being able to enter homes and inspect them in detail. The powers previously enjoyed were sufficient. I object to what appears to me to be an unnecessary intrusion into private homes, despite the amendment inserted in another place at the instigation of the Opposition. Clause 4(g) in the Bill before us, which seeks to insert subsection (3) of section 69 of the principal Act, will ensure that reasonable notice is given of intent to enter. While that is an improvement on the original arrangement (and I commend the Government for making that adjustment) I still feel it is inadequate to offset this intended power and the unnecessary and detailed inspection that can be instituted. I support section 69 of the principal Act as it stands, but not as it is amended.

Finally, I support clause 11 of the Bill, which amends section 121 of the principal Act by including the Coonalpyn Downs water district. This brings to the Tailem Bend to Keith water scheme the same set-up that exists in the arrangements now controlling the Tod River scheme on Eyre Peninsula, with reference to a railway line which could otherwise divide a water district. I only wish that the Government could be as prompt in its construction of this scheme as it was in legislation appertaining to it. This area is, of course, in Southern District, and my colleagues from that district will, no doubt, elaborate on it, but, as a member interested, as I am sure all honourable members are, in the development of this State as a whole, I urge the Government to proceed as quickly as possible with this scheme. I hope this legislation, which would otherwise appear to be almost premature, is evidence of the Government's intention to do this. It seems to be fair enough that a railway line should not divide a water district. This is what the provision sets out to ensure. I have some questions on the legislation before us but for the moment will support the Bill at its second reading stage.

The Hon. R. C. DeGARIS (Southern): The Minister, in his second reading explanation, dealt first with the latter part of the Bill, in relation to the Coonalpyn Downs water district. This clause of the Bill applies to the Tailem Bend to Keith scheme the principles that apply to the Tod River scheme in regard to rating on both sides of a railway line. This measure may be slightly ahead of time but the fact that this provision has been included in the Bill means that obviously at some future time this scheme will be completed. Whilst I agree that a railway line should not divide a water district, I point out that there are certain difficulties involved in this matter.

I am sure the Minister of Transport would place stringent controls on water mains or connections running beneath his railway line. One can imagine all sorts of things happening in that regard. I am sure the Minister would look with some concern at this matter of connections to a water main underneath the permanent way. I presume that no connections would be made without his knowledge or agreement, and that connections to a main under a railway line would be limited. I point out to the Minister in this regard the difficulties confronting certain water users on the other side of the railway line. A property that runs for two or three miles alongside a railway line may have only one or two connections to the main. I point this out to show that there are some difficulties for the users of water on the other side of a railway line.

I agree that many people in the metropolitan area would like to pay their water and sewer rates quarterly, as I appreciate that many people find it difficult to meet these rates and council rates at about the same time of the year. In his second reading explanation, the Minister said that the quarterly payment of rates was being introduced for the convenience of ratepayers, but I point out that there will be some financial benefit to the Government itself as well. The Minister also said:

> The Government being convinced of the justification for, and the merits in, a system whereby accounts for water and sewerage rates could be paid on a quarterly basis, and realizing that the present accounting system would not be able to handle the increased volume of accounts that would result from a change to quarterly payments, has already installed data processing equipment at the Automatic Data Processing Centre.

I think the Minister will agree that installing this type of computer was thought of some time ago. Indeed, I think it was ordered before this Government took office and actually purchased by the previous Government.

I return to my statement that this Bill will provide some financial assistance for the Government. At present, a person usually pays water and sewer rates in October or November for the period from July 1 to June 30. When the quarterly payment of rates comes into being on July 1, 1967, people will have paid their rates and excess water charges until June 30 of that year. On July 14, 1967, or thereabouts, ratepayers will receive accounts for the quarter ending September 30, 1967, and in addition will have to pay for excess water for the preceding financial year, so, in the first 12 months from, say, November to November, the Government will receive water and sewer rates for 18 months and the charge for excess water between three and six months earlier than usual. It can be seen from this that there will be some financial assistance to the Government, although I believe the people want this provision. Quarterly payments will enable the Government to increase rates without apparently lifting them very much. For example, a person notices a considerable increase in water and sewer rates if he receives only one account a year, but if his rates are increased by $2 or $3 a quarter the increase is not so noticeable.

Clause 3 amends section 66 of the Waterworks Act by allowing the Minister to make an assessment on January 1, 1967, and on January 1 of each successive year, which assessment will come into force in the following year. In other words, the assessment made on January 1, 1967, will apply to the 1967-68 financial year. If the assessment is altered (I presume because of alterations or additions) the assessment will apply for the whole of the financial year. I interpret this to mean that if an alteration is made in December the two following quarterly payments will have applied to them the new assessment for the full 12 months.

I find it difficult to understand clause 5, which amends section 73 of the Waterworks Act by giving the Minister power to re-assess any land or premises that have undergone change—for example, because of any alterations, demolitions, new building, subdivision or resubdivision. Under the principal Act at present, the assessment does not alter during a financial year: the assessment made on July 1 applies for the next 12 months. In his second reading explanation, the Minister said:

> The amendment to section 73 of the Waterworks Act also authorizes the Minister to alter not only an assessment in force but also an assessment to come into force in pursuance of the amendments proposed in section 66 of the Act.

I am not clear what this means, so I ask the Minister to clarify it. If it means that the Minister can alter an assessment and that the new assessment will apply from the time the alteration is made, I shall still have certain reservations about the clause, although I shall be happy with it. However, if an alteration is made in December and it applies for the full 12 months, I shall have grave doubts about the wisdom of the provision. Once an assessment has been adopted as at July 1 of any year, I believe this should remain the assessment for the full 12 months. An assessment should be altered only as from July 1 in any year. Of course, there is no difficulty about this when a person pays his water and sewerage rates 12 months in advance, but the difficulty arises when the alteration to quarterly payments is made.

Under this Bill, there is still power for a person who so desires to pay his water rates in one payment covering 12 months. What will be the position of such a person as a result of the alteration proposed in clauses 3 or 5? I do not consider that there is any case for the alteration of an assessment during a 12-monthly period. The assessment as at July 1 should apply for the full 12 months. Clause 9 has

been dealt with by the Hon. Mr. Dawkins and refers to a ratepayer who desires to pay his rates 12 months in advance. New subsection 94 (2) provides:

Nothing in this section shall be construed to prevent any owner or occupier of land or premises from paying his water rates and minimum charges for water by measure under agreement in full in advance upon receipt of a notice for any quarterly amount that is due and payable.

I understand this new subsection to provide that the due date for 12-monthly payments will be July 14 in any year, subject to any variation by notice in the *Government Gazette*. I consider that a person should have the right to pay these rates in one payment covering a period of 12 months if he so desires but that the due date should be in September, October or November, not in the middle of July. I agree with the Hon. Mr. Dawkins that country people probably prefer to pay their rates after harvest, about February.

The Local Government Act provides that the due date for the payment of council rates in any financial year is the end of February and fines cannot be imposed if payment is made before that time. I suggest that the Minister examine this matter in order to see whether the due date can be fixed at some time when a farmer or person on the land usually receives his income. Part III deals with amendments to the Sewerage Act and my comments on the amendments to the Waterworks Act apply also to these amendments. Apart from the few queries I have raised, I support the second reading.

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

LAND TAX 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.

Its principal object is to fix rates of tax for the five financial years commencing with the year ending in June, 1967. As honourable members are aware, the rates fixed by Parliament last year were limited to the year which ended on June 30, 1966, and thus there are at present no effective rates for the present and future years. The Bill also makes some administrative amendments to the principal Act and provides some necessary amendments consequent upon the adoption of decimal currency.

As honourable members know, the quinquennial assessment was made as at July 1, 1965. The assessment shows an increase in the aggregate from $810 million to $1,301 million, or about 60 per cent over all. The percentages of increase, or course, differ in various parts of the State and for land put to different uses. The increase was on average about 20 per cent in the city of Adelaide, about 45 per cent in rural areas including country towns, and about 85 per cent in the metropolitan area other than the city proper but including commercial, industrial as well as residential properties.

Recent conjectures by some honourable members, as well as by some public associations, have suggested that an increase in land valuation by an average of some 60 per cent might be expected to result in well over 100 per cent increase in State revenues from land tax if last year's rates were to be re-enacted. Detailed examinations by the Land Tax Department and by Treasury officers, however, have shown that, whereas the assessed tax for 1965-66 was close to $5,700,000, application of the 1965-66 rates to the new assessment would yield close to $9,500,000. This is an increase of 67 per cent. The reason why the potential yield has not increased substantially beyond the 60 per cent increase on aggregate valuation through the effects of the progressive rate schedule is that the higher-valued properties have not increased so greatly as have the relatively much lower valued properties such as residential land. The latter are not affected much, if at all, by progression of rates.

Having regard to the revenue requirements of the Government it is considered necessary to secure an appreciably increased revenue from land tax beyond that secured last year. The rates now proposed are expected to secure an increased yield of $2,100,000 instead of the $3,800,000 which would result from complete re-enactment of last year's rates. This would give a yield in 1966 67 of $7,800,000, an increase of about 37 per cent. The new rates proposed are simple to understand and simple to apply. They move in a steady progression from 2 cents per $10 on land valued under $10,000 up to 38 cents per $10 for values in excess of $180,000 held by one taxpayer. The minimum valuation subject to tax will increase from $640 to $1,000,

for it is proposed that, where the schedule would require a tax of less than two dollars, no tax at all will be payable.

On present valuations up to $50,000 the proposed rates will be only 64 per cent of the rates that applied last year. Accordingly, within that range the reduction in rates will be broadly parallel with the average increase in valuations. Generally, landholders within this range who have been notified of a less than average increase in valuation will be taxed rather lower than last year, whilst those with more than average increases in valuation will pay a rather higher tax. Within this range will fall all but about 2,000 of the total of over 200,000 assessments, though, of course, a far higher proportion of land value—about 24 per cent—falls in the range above $50,000. For valuations beyond $50,000 the reductions on 1965-66 rates proposed are progressively less than 36 per cent. The reduction is 23 per cent on last year's rates for a valuation of $100,000 and 1 per cent reduction at a valuation of $500,000. It is of interest also to compare the proposed new rates with those operating in 1964-65, that is, before last year's increase. Compared with two years ago, the rates up to $100,000 show a 36 per cent decrease. They show a 17 per cent decrease at $40,000 and they equal the 1964-65 rates at a valuation of about $110,000. Thereafter, the proposed new rates exceed the 1964-65 rates, reaching 14 per cent above at $200,000 and about 20 per cent above for valuations of $500,000 and more.

A table has been prepared showing in considerable detail the taxes assessed in 1964-65 and 1965-66 on various valuations, as well as the proposed taxes in accordance with this Bill. It also shows the proportions each to each, and I ask leave for it to be inserted in *Hansard* without my reading it. I also seek leave for the insertion in *Hansard* without my reading it of a further table showing the yield per capita from land tax in the various Australian States.

Leave granted.

Comparative South Australian Land Taxes of Recent Years.

Valuation. $	Tax Assessed. 1964-65. $	1965-66. $	Proposed. $	Proportion of Proposed to 1964-65. Per cent.	1965-66. Per cent.
10,000	31.25	31.25	20.00	64	64
20,000	72.92	93.75	60.00	82	64
30,000	155.25	187.50	120.00	77	64
40,000	239.58	312.50	200.00	83	64
50,000	364.58	468.75	300.00	82	64
60,000	489.58	625.00	420.00	86	67
70,000	614.58	812.50	560.00	91	69
80,000	781.25	1,000.00	720.00	92	72
90,000	947.92	1,218.75	900.00	95	74
100,000	1,114.58	1,437.50	1,100.00	99	77
110,000	1,322.92	1,687.50	1,320.00	100	78
120,000	1,531.25	1,937.50	1,560.00	102	81
130,000	1,739.58	2,218.75	1,820.00	105	82
140,000	1,989.58	2,500.00	2,100.00	106	84
150,000	2,239.58	2,812.50	2,400.00	107	85
160,000	2,489.58	3,125.00	2,720.00	109	87
170,000	2,781.25	3,468.75	3,060.00	110	88
180,000	3,072.92	3,812.50	3,420.00	111	90
190,000	3,364.58	4,187.50	3,800.00	113	91
200,000	3,656.25	4,562.50	4,180.00	114	92
300,000	6,781.25	8,312.50	7,980.00	118	96
400,000	9,906.25	12,062.50	11,780.00	119	98
500,000	13,031.25	15,812.50	15,580.00	120	99
600,000	16,156.25	19,562.50	19,380.00	120	99
700,000	19,281.25	23,312.50	23,180.00	120	99
800,000	22,406.25	27,062.50	26,980.00	120	100
900,000	25,531.25	30,812.50	30,780.00	121	100
1,000,000	28,656.25	34,562.50	34,580.00	121	100
2,000,000	59,906.25	72,062.50	72,580.00	121	101

NOTE: Proposed tax rates are lower than 1964-65 rates below $111,000 but higher beyond that level.
Proposed tax rates are lower than 1965-66 rates below $985,000 but very slightly higher beyond that level.

State Land Tax—Yields per Head.

	1961-62.	1962-63.	1963-64.	1964-65.	1965-66.	1966-67.	1970-71.
	$	$	$	$	$	$	$
New South Wales	4.70	5.05	5.90	7.15	8.14	—	—
Victoria	5.01	5.66	5.91	6.22	6.13	—	—
Queensland	2.31	2.13	2.30	2.37	2.57	—	—
Western Australia	3.41	3.33	3.45	3.62	4.15	—	—
Tasmania	3.07	3.47	4.24	4.56	5.45	—	—
Mean five States	4.25	4.58	5.08	5.73	6.22	6.60(*a*)	8.30(*a*)
South Australia	4.88	4.92	4.80	4.76	5.30	7.15(*b*)	6.80(*c*)
Mean four States (excluding Queensland)	4.62	5.05	5.60	6.36	6.90	7.30(*a*)	9.20(*a*)

(*a*) Assumes annual increase at the rate of 6 per cent per annum, the lowest annual rate of increase during the past four years.

(*b*) In accordance with proposal now made.

(*c*) Assumes the normal increase in land taxable (3 per cent over four years) and continuance of the present population rate of increase (8½ per cent over four years).

The Hon. A. J. SHARD: Copies of these tables have been printed and are available to honourable members. South Australian land tax collections were $5.30 per head in 1965-66, whereas the average of the other five States combined in 1965-66 was about $6.22. Allowing for the imposition of the rates now proposed, South Australia could expect to get about $7.15 per head in 1966-67, as compared with about $6.60 per head on average in the other States if it is assumed the other States experience increases in yield equal to 6 per cent per head. This rate of increase assumed for the other States is comparable with the lowest annual increase they experienced over the past four years. This may put the South Australian figure in 1966-67 about 10 per cent above that for the other States. However, there are three relevant factors to bear in mind:

First: This is the first year after the new assessment, and no valuation increases of substance are to be expected for five years. In the fifth year, because of population increases combined with only very minor increases in taxable land, the South Australian yield per head could fall about 5 per cent. On the other hand, the general trend of increased yields in other States (which, in general, apply continuing revaluations year by year) could be expected to bring an increase of about 25 per cent over the period, thus far more than closing the gap, and leaving the average over five years combined significantly lower in South Australia than in the other States combined.

Second: The average for the other States is substantially affected by the low yield in Queensland arising out of the extensive leasehold system that reduces land tax receipts but increases receipts from leasehold rents. If Queensland were excluded from the figures for other States, its average would be about $7.30 per head for 1966-67, which is about 2 per cent above the estimated South Australian yield under the new proposals for 1966-67.

Third: Though for the time South Australian land tax yields per head may be higher than the average for the five other States, a number of other taxes and charges are lower and the revenues are urgently needed by the Government to meet necessary expenditures.

The Bill provides for the rates to apply for the five-year period of the operation of the 1965 valuation. This would appear to be consistent with the effective decision arrived at during the conference on the 1965 Bill that decided not to continue rates of tax into a period when a new valuation might reasonably call for a full review of rates. It is most desirable for the Government, the administration and the taxpayers that there should be a good measure of continuity in these rates and, in particular, that all parties should know the anticipated rates very early in the tax year and preferably before it commences. This is not to say that the Government undertakes that it will abstain from any amendment, whether by way of increase or decrease, during the five-year period should the occasion warrant variation. Any variation during that period can be made only with the consent of Parliament.

The new rates are set out in clause 6 of the Bill, while clause 10 provides that no tax shall be payable where it would amount to less than $2; in effect, this means that all valuations below $1,000 will be free from tax, as against the present effective exemption of $640. While on the subject of rates, I refer also to clause 7 (*b*) that provides that in cases

of partial exemption the present flat rate of three farthings in the pound will be changed to two cents for each $10. This is, in fact, a reduction in the current rate of 36 per cent, and the principal application of the partial exemption is to land used for charitable, educational and religious purposes. Partial exemption means, in effect, that the tax on the land concerned is confined to the minimum rate of two cents per $10, and that the rate does not rise progressively as the value of land held exceeds $10,000.

I deal now with the other amendments made by the Bill. The first of these is made by clause 3, which removes from the principal Act the exclusion of forestry in the definition of "business of primary production". There appears to the Government to be no good reason for the exclusion of forestry from the definition, and its removal might well encourage landholders to establish forestry holdings.

Clause 4 provides for a complete exemption of local government authorities from tax. Most of the uses to which councils put their land are for the benefit of the area served, but the land is taxable because it does not fall into any of the categories in section 10. On the other hand, many of the parcels of land used by councils are exempted from tax because they are Crown lands dedicated pursuant to the Crown Lands Act. The amount of tax collected from local government authorities has been $16,000 per annum for the past five years and it is estimated that, given no change in the rates of tax, it would be $25,000 per annum for the next five years. This amount is small when compared with grants made for local government authorities from State funds. In view of the relatively small amount of tax involved and the public nature of the uses to which local government authorities put the greater part of their taxable land, the Government has decided that they should be given a complete exemption. Clause 8 of the Bill makes a necessary consequential amendment by repealing section 12b of the principal Act that grants a partial exemption to local governing bodies.

Paragraphs (*a*) and (*b*) of clause 7 of the Bill remove the requirement for the commissioner to publish notifications of partially exempt lands in the *Government Gazette*. Declarations of exempted land under section 10 or declared rural land under section 12c are not required to be published. The requirement in section 12a for publication is unnecessary as the declaration is a matter between the taxpayer and the Commissioner, and notice is given to the taxpayer. The provision creates unnecessary work in the department and is, therefore, being removed.

I deal now with section 12c of the principal Act relating to declared rural land. Administration of this section during the past five years has shown certain difficulties and anomalies that it is proposed to remove. Paragraphs (*a*) and (*b*) of clause 9 of the Bill remove the necessity for declarations of rural land to be renewed. The Act at present provides for a quinquennial review of declarations in subsection (3) of section 12c, which terminates declarations at midnight on June 30 preceding the making of quinquennial assessments. Paragraph (*d*) of subsection (6) allows a taxpayer to avoid liability for any difference in tax by applying for a renewal before March 31, following the expiration of a declaration.

The effect of these two provisions is that there can be a period of more than nine months during which the land is not declared rural land. During that period circumstances could give rise to a claim for payment of the difference in tax such as changes in use of the land or transfers. However, there is some doubt as to the power of the Commissioner to claim the tax. Quite apart from the provision for expiry, the quinquennial review by the department must be made in the course of the general assessment of values and any changed circumstance justifying revocation of a declaration can be acted upon at that time. Experience in 1965 has shown that almost every owner of declared rural land has requested a renewal, and there appears no reason for retaining the requirement of a specific application. Some few owners who do not wish to have a declaration continued are given the right to apply for revocation by paragraph (*c*) of new subsection (4) inserted by paragraph (*d*) of clause 9.

Another anomaly relates to the provision of subsection (3) of section 12c for declared land to be taxed on its primary production value from June 30 preceding the date of the declaration. That provision was necessary in 1961 to ensure that the concession would apply for the financial year 1961-62. It is anomalous that conditions of ownership, use and value at midnight on June 30 determine the liability and amount of tax for the ensuing financial year in all cases except for declared rural land. Land that may qualify for declaration at the date of application may not have qualified at the beginning of the financial year; yet it must be taxed as if it had. On the other hand, land that qualifies for exemption under section 10 during the financial year is exempted only for future

financial years. The retrospective application of declarations has served the purpose for which it was first enacted and will now be repealed to be consistent with other provisions of the Act. Accordingly, paragraph (*c*) of clause 9 removes the retrospective provision in the last sentence of subsection (3) and at the same time removes the provision for the automatic expiry of declarations prior to the quinquennial assessment.

I deal now with paragraph (*d*) of clause 9, which amends subsection (4) of section 12c by adding to the grounds on which the Commissioner may revoke a declaration. The first addition is the transfer of the land by the taxpayer to any other person other than by gift to a spouse, parent, grandparent or descendant, or a person in whose ownership the land becomes exempt or partially exempt. The other addition is the provision, to which I have already referred, for revocation upon the application of the taxpayer. Subsection (4) of section 12c of the principal Act empowers revocation only on the ground of a change in the use of the land. The requirements of this subsection and paragraph (*c*) of subsection (6) are such that departmental procedures are similar in both cases. In dealing with transfers of land requiring payment of the tax, it has been found to be of benefit both for the new owner and for the department to deal with the continuance of the declaration on the basis of an application for a declaration by the new owner. Power to revoke the declaration on transfer of the land would remove any uncertainty about the procedure found by experience to be practical.

It will also be observed that new paragraph (*b*) of subsection (4) provides that the Commissioner may not revoke a declaration where a transfer is to a person in whose ownership the land becomes exempt or partially exempt from land tax. Cases have arisen where transfers of land by gift to religious and charitable organizations and Government and local governing authorities have caused the difference in tax on declared rural land to become payable. It is anomalous that tax should be payable in these cases, and indeed it is possible for an owner to be dissuaded from donating land for a worthwhile purpose because of a consequential claim for the payment of tax. The amendments made by paragraph (*e*) of clause 9 are consequential amendments to subsection (6) of section 12c of the principal Act. This paragraph repeals paragraphs (*b*), (*c*) and (*d*) of that subsection dealing respectively with renewals, transfers and non-applications for renewals. Paragraph (*f*) makes another consequential amendment to subsection (6) of section 12c in relation to the liability of religious, charitable, Government and local governing authorities.

The last amendment of substance is made by clause 13 of the Bill. Section 52 of the principal Act provides for a review of an objection against an assessment by a Valuation Board. Considerable cost is incurred in preparing for and holding a sitting of the board. There have been cases in which sittings have been arranged and the taxpayer has failed to attend, with the result that costs and inconvenience have been incurred for no purpose. The only penalty now provided is the forfeiture of the taxpayer's $1 deposit. It is considered desirable that the board should be empowered to award costs in its discretion, and paragraph (*b*) of clause 13 so provides. Paragraph (*a*) makes a consequential amendment.

Clauses 5, 10, 11, 12 and 14 of the Bill make necessary amendments to the principal Act consequent upon the introduction of decimal currency. In closing, I take the opportunity of saying that this amending Bill has been introduced at an early stage of the session for administrative reasons. Until rates are fixed the department will be unable to assess and collect the tax and it is important that the rates should be fixed early so that collection may be made within the current financial year. I therefore ask honourable members to give this matter their urgent attention.

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

ADJOURNMENT.

At 3.45 p.m. the Council adjourned until Wednesday, August 10, at 2.15 p.m.