LEGISLATIVE COUNCIL

Wednesday, August 31, 1966.

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

QUESTIONS

CROWN LANDS.

The Hon. Sir LYELL McEWIN: Has the Minister of Roads, representing the Minister of Lands, an answer to my question of August 26 regarding a press report about areas of Crown land in the State?

The Hon. S. C. BEVAN: My colleague, the Minister of Lands, reports that the total area of all lands in South Australia is 380,070 square miles, comprising 243,244,800 acres.

CO-OPERATIVE SOCIETIES.

The Hon. C. R. STORY: Has the Chief Secretary, representing the Attorney-General, a reply to my question regarding an amendment to the Industrial and Provident Societies Act?

The Hon. A. J. SHARD: My honourable colleague, the Attorney-General, has given the following answer:

Detailed proposals are being prepared for urgent submission to Cabinet.

LOCAL GOVERNMENT BORROWING.

The Hon. Sir NORMAN JUDE: Has the Minister of Local Government an answer to the question I asked on August 3 regarding borrowing on Loan funds?

The Hon. S. C. BEVAN: I have a reply to the question and, with your concurrence, Mr. President, I shall give the reply and then read a report on the matter. The reply to the honourable member's question is that each year councils are asked to submit estimates of borrowing requirements for the following financial year. Under existing arrangements, any council is permitted to borrow $200,000 each year without any limit in the aggregate. The Treasury is advised of those councils wishing to borrow over the limit of $200,000 each.

Following the Commonwealth Loan Council meeting, the requirements of these larger borrowers are considered in the light of the total Loan Council's allocation for South Australia. This allocation must be divided between large bodies, such as the Electricity Trust of South Australia and the South Australian Housing Trust, and the councils seeking to borrow beyond $200,000 each. Unless Loan Council agrees on a higher programme, councils can be given authority only to borrow additional amounts at the expense of the other large borrowing bodies.

I know that the Hon. Sir Norman would have a true appreciation of the position, so I should like to read the following report:

The allocations of borrowing authority approved for 1966-67 purposes for the larger local government bodies are:

	$
City of Adelaide	1,400,000
Enfield	400,000
Salisbury	330,000
Woodville	400,000

In addition, arrangements have been made with the councils of Enfield and Salisbury for special borrowing approvals of $200,000 and $130,000 respectively in June, 1967, on account of 1967-68. The formal approvals this year for the two councils will thus be $600,000 and $460,000. The two councils will then be required to restrict their new borrowing approvals in 1967-68 to $200,000 each, so that the opportunity may be given to other councils to enter the group of larger borrowers in that year. In 1965-66 the total borrowing by four local government bodies individually in excess of $200,000 was $2,422,000 and the total borrowing by 56 local government bodies individually of $200,000 or less was $3,241,000. Of the latter group of 56 bodies, only three borrowed to the limit of $200,000, while two others arranged to borrow closely $190,000 each.

As this report has a bearing on the matter, I thank you, Mr. President, for allowing me to read it.

COPPER ORE.

The Hon. R. A. GEDDES: In yesterday's *News* appeared a report that a shipment of copper ore had been made from Paratoo to Port Kembla, New South Wales. The report stated that the cost of shipping this ore was marginal and that the company concerned (Electro Winnings Proprietary Limited) was interested in trying to find a suitable site in South Australia at which to process its ores. Will the Minister of Mines say whether the request has been considered, with particular reference to the possibility of using the uranium treatment plant at Port Pirie?

The Hon. S. C. BEVAN: No request has been made to me in relation to this press statement, which I have read. No official representation has been made for the establishment of a plant or for a plant to be made available. However, I will call for a report from the Mines Department and inform the honourable member later.

MEDIAN STRIPS.

The Hon. L. R. HART: Has the Minister of Roads a reply to my question of August

18 in relation to the widening of Grand Junction Road?

The Hon. S. C. BEVAN: Yes. The normal road reserve of 80ft. was obtained under the metropolitan road widening scheme along Grand Junction Road between Main North Road and Rosedale Street. From Rosedale Street for some distance west along Grand Junction Road, an additional 10ft. of land was acquired on the northern side of the road to allow the installation of a 12ft. x 4ft. box culvert within the road reserve and underneath the footpath. The 62ft. carriageway on Grand Junction Road is the present standard design for a major arterial road within the metropolitan area and is adequate to deal with the expected traffic volume. It is not expected that any further widening of this section of the roadway will be necessary in the foreseeable future.

GUM TREES.

The Hon. C. M. HILL: Will the Minister of Roads say whether the Government has considered alternatives to the destruction of the Montacute Road gum trees?

The Hon. S. C. BEVAN: I had intended, if a further question was asked today about this matter, to seek leave to make a Ministerial statement. This is not a matter for Cabinet, and it is not a matter of Government policy: it is a matter for the decision of the Minister on whether this road should be widened. I now seek leave to make a statement about the position on Montacute Road.

Leave granted.

The Hon. S. C. BEVAN: The people who desire that no action be taken on Montacute Road have done everything in their power to make this a political issue. They have approached and made statements to the press on every possible occasion and have attempted to bring members not only of the Government but of the whole Parliament into the controversy. I stated previously that there was a stay of execution in relation to these trees so that a full investigation could be made into the whole question.

Last Saturday afternoon I went to a football match. After I had left my home, the telephone rang and my daughter answered it. A woman was at the other end of the line, and she asked for me. My daughter said, "I am sorry, but my father is not at home." Apparently, this statement was not acceptable to the woman at the other end of the line when she was politely informed that I was not at home, and she said, "We are a very influential group. We have a meeting here this afternoon." She said that if I did not attend I would be sorry. My daughter said, "I am sorry; he is not at home." Then a gentleman came on to the line and asked, "Is he at home?" My daughter reiterated, "No, he is not; he has gone to the football and you will not be able to contact him there." The man then said, "What football match has he gone to? We can contact him at the football match and get him out of it." My daughter replied, "I am sorry but I do not know which football match he has gone to." Apparently, I should not go to a football match; I should be sitting at home on the back doorstep, awaiting the pleasure of these people.

On the Sunday I was out on local government business. When I got home I was informed that someone had telephoned me: would I contact a Dr. Coulter? I tried to contact him at his home from 3 to 3.30 p.m. but could not get him; I got the engaged signal. At four o'clock in the afternoon Dr. Coulter rang my home and I answered the telephone and discussed the whole of this question with him over the telephone from four o'clock till 10 minutes to seven. I think I gave Dr. Coulter a pretty fair hearing! We went into all the aspects of the question. At that stage I said to Dr. Coulter that I was making absolutely no promises whatsoever and I emphasized that fact. I suggested to him at that stage that he had not put anything to me over the telephone that would convince me that I was wrong, but stated I would contact the Commissioner of Highways.

At 8.15 on the Monday morning I spoke to the Commissioner of Highways, informed him of the conversation that had taken place on the Sunday afternoon between myself and Dr. Coulter, and suggested that he telephone Dr. Coulter and have a talk with him. The Commissioner then arranged to meet Dr. Coulter and have a discussion at the Highways Department at nine o'clock on Tuesday morning (yesterday).

I know the propositions that have been put forward for the consideration of the Commissioner of Highways and I am assuming they are identical to the propositions put before me for consideration by telephone on the Sunday afternoon. I have not had an opportunity so far to confer further with the Commissioner of Highways on this difficult matter, because my time was fully occupied yesterday, as it is today, but what of the inconsistency of these people?

There is a row of trees right on the edge of the section of the road in dispute. There are

other trees behind them. Some of the trees at the back have been lopped by the Electricity Trust to enable it to put up power lines there. These people are not concerned about the preservation of these trees at the back: I can take those out. I can put the footpath at the back of the row of trees on the roadway, and a bicycle track to take the boys and girls going to the Campbelltown High School off the road. They are concerned not with the removal of those trees but with the removal of the trees on the road.

At 11 o'clock last Saturday night after I came home a telegram was delivered informing me, rather lengthily, of a meeting to be held on the following Monday morning at 7.30 opposite the Newton school and requesting my presence at the meeting. I do not know whether the people concerned think I am an infant, but I knew that the construction of the meeting, as such, would be 90 per cent of people brought in from outside the district and not resident in the area; they would be people who would not use this road once in 12 months. If those people thought I would be prepared to be a guinea pig they were due to have another think about the matter!

I advised Dr. Coulter of this on Sunday afternoon, and said that I would not be in attendance at the meeting scheduled for Monday morning; nor did I attend that meeting, or have any intention of so doing. Following that line of thought, the people in the area have not had the opportunity of voicing any opinion on this question, other than the few mothers to whom I spoke when I visited that area in connection with the school. On that occasion I did not introduce myself to the mothers because I thought it might have an adverse effect on their opinions. I asked them what they thought; they were mothers who were afraid to allow their children to go to school because of the dangerous nature of the road, and they were unanimous that the trees concerned should be removed and the road widened in order to cater for the volume of traffic.

Following the meeting of Monday morning last a certain amount of hostility developed amongst the residents and ratepayers of this district. Last night I was presented with a petition at my home bearing 428 names and addresses of people living in the vicinity of this section of road petitioning me to move the trees and to widen the road for the sake of the safety of children and road safety generally. Last night I saw a commentary in the late news on Channel 7 where apparently the attention of Dr. Coulter had been drawn to the petition. I waited up to see if there was any further comment, and there was. I may not be word perfect but, in effect, Dr. Coulter said:

If the Minister is going to give consideration to this petition, we will organize a counter-petition.

So, apparently, their opinion is that the residents vitally concerned in this matter should not have any say but they, the outside people, should! I was given an assurance at my home last night when presented with this petition (which, incidentally, I have with me) that, if it was considered necessary, they would, within the next two days—meaning today and tomorrow—obtain a thousand signatures and let me have the petition. I said that I did not think it would be necessary, that I would fully investigate the matter and then determine what I considered the best thing to be done.

Following the petition of last night, my attention has been drawn to a circular letter apparently being distributed by the principal of John Mack Pty. Ltd. The circular reads:

Statement by Mr. C. John Mack, of 129, Montacute Road, Hectorville, on behalf of the Montacute Gum Trees Preservation Group.

"The issue of the Montacute Road trees has become a State-wide test case. It is no longer simply a local suburban issue. It is a test of the entire Government's sincerity on the principles of good town planning—a test of its declared belief that considerations of beauty and amenity, as well as narrow utility, will guide its policy and administration. This Montacute Road problem should and must be completely above Party politics. Our group does not wish to criticize the Minister of Roads. Indeed, we must thank him. But for him, the trees that we want to save might have been cut down by now.

This is amazing:

To support him in his stand, I appeal to all tree lovers and to all South Australians who believe in enlightened town planning to write briefly to me—

that is, to John Mack—

or to their representative member of Parliament, whatever the latter's political Party, and declare their support for the preservation of these trees and for a compromise plan which will simultaneously ensure the safety of all children and pedestrians in the area. If we cannot all exercise a little civilized restraint where necessary to preserve an irreplaceable amenity, we do not deserve to call ourselves civilized at all."

I am rather concerned at the statement by these people about the safety of children, because when I mentioned the safety of children these people told me (and it was

publicized in the press) that I was only drawing a red herring across the trail. The letter continues:

Mr. Mack added that he was puzzled by reports that Mr. R. J. Hann of Hectorville had collected "428 signatures in six hours" from people who live in the Montacute Road or within two or three streets of it and who want the trees cut down.

There is no puzzle in that. The statement continues:

Mr. Mack said, "Mr. Ross Truscott and I recently canvassed all the houses in Montacute Road between the Glynde corner and St. Bernard's Road. Approximately 85 per cent of the householders signed a petition protesting at the proposal to cut down the trees. The Minister already has this petition. I suggest he checks the names and addresses on it against those of Mr. Hann's list. Many of our supporters have today begun to collect signatures for a new petition. We are confident that many hundreds, perhaps thousands, of people will sign it in the next few days. We hope the Ministers will accept it as a guide to majority public opinion on this issue."

The plural is used in the last sentence. In that circular letter, Mr. Mack states that a petition has been taken up and presented to me. I deny that. I have not received any petition from Mr. Mack, nor has a petition other than the one I received last night been lodged in my office by anybody. That is the fact. I even checked at 2 o'clock today. I do not know where we are going on this matter. I have never attempted to make a political issue of it, but these people certainly have. I could say much more.

I have the policy of the Highways Department before me in relation to a planning programme to which we are giving full effect. At the close of the financial year at June 30, 1966, 1,500 trees had been planted on main roads in the northern areas of this State by the Highways Department. This policy will be continued and stepped up. I pointed out that as many trees would be left on Montacute Road as it was possible to leave and that we would plant new trees there. I have received from a woman who lives there a letter in which she has thanked me for leaving two trees on the footpath in front of her house. Those trees were left pursuant to my instructions.

We have pointed out that the boundary of the school grounds could be planted with new river red gums and these people said, "That is nice, but how many years will it be before we get any benefit from them?" So it does not matter what one does. I shall give full consideration to the representations that have been made and make my decision accordingly about whether these trees remain or whether it is still necessary to take them out. My decision will be conveyed to the Highways Department.

MOUNT BARKER ROAD.

The Hon. Sir NORMAN JUDE: Has the Minister of Roads an answer to my question regarding signs on Mount Barker Road?

The Hon. S. C. BEVAN: Yes, the answer to the honourable member's question is as follows:

There is no provision in the S.A.A. Road Signs Code for a sign to suit the purpose suggested by the Hon. Sir Norman Jude. The department endeavours to keep as closely as possible to the standard signs included in the code and erection of non-standard signs is restricted as far as possible to cases where there is an urgent and pressing need. Observation of traffic on the section of the Mount Barker Road to which reference is made has indicated that motorists, and particularly drivers of commercial vehicles, when forced to drive slowly, do generally extend courtesy to the drivers of following vehicles who may wish to overtake. It is considered that the erection of a special non-standard sign is not warranted in this case.

THE BANK OF ADELAIDE'S REGISTRATION UNDER THE COMPANIES ACT 1892 ACT AMENDMENT BILL (PRIVATE).

Second reading.

The Hon. Sir LYELL McEWIN (Leader of the Opposition): I move:

That this Bill be now read a second time.

It comes to us from another place, where it has been the subject of a report by a Select Committee of that House. I am indebted to the bank's solicitor for a resume of the bank's statutory history and of the reasons for seeking this amending legislation.

The Hon. Sir Arthur Rymill: Well, that solicitor has a good name!

The Hon. Sir LYELL McEWIN: The sole object of this Bill is to repeal section 10 of a private Act entitled "The Bank of Adelaide's Registration under the Companies Act 1892 Act." This was itself a private Act passed by the Parliament of South Australia in 1928. The effect of section 10 of the 1928 private Act, which section it is now desired to repeal, was to attach to shares in the Bank of Adelaide an additional or reserve liability under which, in the event of a winding-up of the bank and of its assets being insufficient to meet its liabilities, the shareholders could be called upon to contribute not only the balance (if any) unpaid on their shares but also a further amount up to

but not exceeding the nominal value of their shares.

The Bank of Adelaide is now the only bank, and indeed it may possibly be almost the only public company of any kind now carrying on business in Australia, which still has this peculiar liability attaching to its shares. Whatever may have been the reason or justification for such a liability in earlier years it has, under modern and present-day conditions, become a mere anachronism having regard to the strength of the bank's reserves and the controls over banking now exercised by the Commonwealth.

The elimination of this liability is, however, a matter of practical importance to the many shareholders of the Bank of Adelaide throughout Australia and overseas, because the very existence of such liability, however remote a possibility it may be, is found to deter some people from investing their money in shares of the bank, and it is known that there are other classes of investors such as trustees and institutional investors who may be prohibited from investing money in any shares upon which in certain events, however remote, some liability might arise.

It should perhaps be observed that the purpose of this Bill is not to confer any benefit of any kind on the bank itself but merely to benefit the numerous members of the public who now are or in future may become shareholders in the bank; but it is proper that the initiation of the proposal should come from the bank itself.

To understand the position, it is necessary to look briefly at the historical background and examine the reasons why this liability was originally created. In England in the 18th and the early part of the 19th century the pattern gradually arose of major business and industrial enterprises being established with the support of money subscribed by the public. This was a tremendously significant and important factor in the growth of England as a great power in the industrial, commercial and financial sense. Originally, these enterprises were established under the label of joint stock companies. These had certain features common to companies in the modern sense, in that subscribers to the capital took shares and the government of the enterprise was entrusted to a board of directors, but they had no separate legal corporate identity and they were in fact no more than large partnerships, the members of which had unlimited liability in the event of a disaster.

There were many legal difficulties and problems where such an association could not contract or hold property or sue in a corporate name, and furthermore any creditor of the enterprise could single out any single shareholder and sue for and recover his debt in full, leaving that shareholder, if he could, to get contribution from the other shareholders. At an early stage the need for incorporation of such enterprises became a practical necessity, and there was naturally also a great public clamour for some limitation on the liability of people who put money into these ventures. Until the introduction in England in the year 1844 of legislation under which this type of joint stock company could acquire corporate identity by a simple process of registration, it was necessary in each instance for the enterprise to apply for a special Act of Parliament granting it corporate status, and this was always a tedious and expensive process.

In 1844 legislation relating to joint stock companies was introduced in England by Gladstone, under which such enterprises could acquire incorporation without a special Act of Parliament by mere registration with an appropriate authority. This legislation also prohibited large partnerships from carrying on business. This is the historical origin of the provision that still exists in section 14 (3) of our Companies Act of 1962, which prohibits partnerships of more than 20 persons from carrying on business.

In this original English legislation providing for the incorporation by mere registration of a joint stock company, the liability of members was still unlimited, and in England the battle for limited liability as we now know it was not finally won until 1855, after some 20 years of debate and argument, and Royal Commissions on the subject. Even then, banks and insurance companies were excluded, and it was not until 1858 that some form of limited liability was conceded to shareholders in banks in England.

The first general Companies Act, forming the foundation of modern company law, was the English Act passed in 1862, and South Australia's first Companies Act, which was based very closely on the English legislation, was passed in 1864. This Act, however, excluded incorporation for the purposes of carrying on banking, and therefore at the time when the Bank of Adelaide was formed in 1865 it was necessary for the promoters to establish the enterprise in the first instance as an unincorporated partnership or joint stock company and then to seek a private Act from Parliament granting incorporation. This was effected by the first Bank of Adelaide Act of 1865, and in

section 8 of this Act the liability of members was limited, in a winding-up, to the amount (if any) unpaid on their shares and in addition for an amount not exceeding the nominal amount of the shares. This general pattern of limitation of liability on such a formula is to be found in many early private Acts of South Australia incorporating other business enterprises in the same way, and similar examples can be found on the Statute Books of the other provinces of Australia, notably the Act originally granting incorporation to the Bank of New South Wales in that province in the year 1850. Two further private Acts in relation to the Bank of Adelaide were passed in 1904 and 1920, but the provisions of these Acts are not in any way material for present purposes.

As the bank was not a limited liability company under the ordinary existing companies legislation, its internal organization was still governed by its deed of settlement made in August, 1865, and, whenever amendments to this were found necessary, a very cumbersome process was involved. By 1928 there had been no less than eight amendments to this deed of settlement assented to by shareholders.

In 1928 it was thought that it would be much more convenient for everyone concerned if the bank could have a memorandum and articles of association in the same way as an ordinary company with limited liability, and therefore the bank petitioned Parliament for and obtained the further private Act of 1928 to enable this to be done. This Act empowered the bank to adopt a memorandum and articles of association in the form set out in the schedule to that Act, and provided that upon these being filed with the Registrar of Companies the bank thereafter could conduct its corporate affairs in the same manner as if it were a company registered under the Companies Act, although the actual corporate identity of the bank, as created by its 1865 Act, was expressly preserved and continued. This meant, in effect, that the bank still remained a corporation created by its own original special Act of 1865, but with the convenience of having a memorandum and articles of association, which could be amended from time to time as found necessary, as if it were an ordinary company actually incorporated under the general company legislation.

The 1928 private Act further provided that, upon the filing of the memorandum and articles of association with the Registrar of Companies, the bank's private Acts of 1865, 1904 and 1920, the deed of settlement of 1865 and the eight supplementary amending deeds were all automatically repealed. Following the passing of the 1928 private Act the bank immediately filed a memorandum and articles of association with the Registrar of Companies, thus bringing about the repeal of the earlier Acts and the deeds of settlement. Hence, the only existing legislation enforced relating to the Bank of Adelaide is its 1928 Act.

The 1928 Act, by section 10, re-enacted in substantially the same wording the original section 8 of its 1865 Act, thus retaining the reserve liability on the shares originally created in 1865. It is this section 10 which the present Bill now seeks to repeal, and a small consequential amendment to the bank's memorandum of association is also needed. Most of the leading banks of England had until fairly recently some comparable reserve liability on their own shares that probably arose originally from the same historical reasons. This became a cause of dissatisfaction among investors. The first bank to take steps to remove this liability was Barclay's Bank, which did so in 1953. In 1957, Lloyd's Bank took the same step, followed in the same year by Martin's Bank, the National Provincial Bank, the District Bank, the Westminster Bank, and finally the Midland Bank. References to these events are to be found in leading financial banking journals of the day such as *The Banker*, *The Economist*, and *The Statist*. It would appear that these banks did not need to obtain any Parliamentary authority for what they did but were able to do so by a reduction of capital involved in the cancellation of the uncalled liability and by having such reduction approved by the High Court of Justice in England. The following passage is quoted from *The Statist* for April 20, 1957, showing the favourable reaction to these steps in financial circles:

> First Barclay's, then Lloyd's, Martin's, National Provincial, and now District. The latter's plan for tidying up an outmoded capital structure adds further emphasis, if that was still needed, to the fact that the unpaid liability attached to shares of the major British banking institutions does not today serve any useful purpose. These shares are, of course, a relic of the days when the existence of such a liability was viewed in the light of a reinforcement of a bank's credit. A vast expansion in business—far beyond the limits visualized by the founders—and the building up of substantial reserves (published and internal) over a long period of time make the existence of these callable and reserve liabilities no longer necessary, certainly not to an institution of the prestige and standing of the District Bank.

The maintenance of an uncalled liability on shares puts the holder at a disadvantage, in that it tends to keep the shares at a market price lower than they would otherwise command; moreover, it tends to narrow the market, as many potential investors are disinclined to hold, or may, if they are trustees, be precluded from holding, partly-paid shares.

These changes in England came to the attention of certain major Australian banks which also had similar reserve liability on their shares. These were the Bank of New South Wales and the Commercial Banking Company of Sydney Limited.

The Bank of New South Wales, which was originally incorporated in New South Wales in 1850 by private Act of Parliament (although the history of its business goes back much earlier, to the year 1817) sought to obtain a private Act for this purpose and approached the Government of New South Wales. That Government not only readily accepted the desirability of such legislation but actually volunteered to put the measure through as a public Bill, and this was actually done by the Bank of New South Wales (Amendment) Act, 1962. This Bill was introduced in the Lower House in New South Wales by the Premier, Mr. Heffron, and in the Council by the Attorney-General, the Honourable R. R. Downing. (A report of the debates thereon will be found in *Hansard* for New South Wales as follows: November 29, 1962, at page 2107; December 4, 1962, at pages 2243-2245; and December 5, 1962, at pages 2300-2302.)

The other Australian bank that had a comparable reserve liability was the Commercial Banking Company of Sydney Limited. In this case the bank was an ordinary incorporated public company with limited liability, and it did not need, or have, any special private Act governing it. Prior to 1962 its issued shares were of £25 each paid to £12 10s., and in the first instance it was simply a condition of the issue of these shares to the public that the balance of £12 10s. could not be called up except in the event of the bank being wound up. This bank called an extraordinary general meeting of its shareholders for March 23, 1962, at which some very complex resolutions were put for the reconstruction and simplification of its capital, leading in the final result to all shares being converted into stock, which could then, of course, be dealt with by holders in units of £1 each. The resolutions included a special resolution for the cancellation of the reserve liability on the shares, and this amounted to a reduction of capital which required the confirmation of the Supreme Court. Following the passing of the resolutions, the bank petitioned the Supreme Court of New South Wales, which confirmed the reduction of capital.

The Bank of Adelaide now remains the only bank in Australia with this liability. For the reasons given, the liability in this instance, having been created by Parliament, can be removed only by Parliament. At a recent general meeting of its shareholders the Chairman of Directors (Sir Arthur Rymill) announced the intention of the bank to seek an amendment to its private Act for this purpose, and his statement was received by shareholders with expressions of approval.

The only other point to be noted is that the Bank of Adelaide is one of the banks named in the schedule to the Banking Act, 1959, of the Commonwealth, and under section 63 of that Act a named bank may not effect a "reconstruction" without the approval of the Treasurer of the Commonwealth. While there may be room for doubt whether the present proposal amounts to a "reconstruction", application has been made to the Commonwealth Treasurer for his consent thereto. The Commonwealth Treasurer did formally consent to the proposals made by the Bank of New South Wales and the Commercial Banking Company of Sydney Limited. His consent has also been given to the proposals of the Bank of Adelaide. The original letter conveying that consent was produced to the Select Committee in another place. As stated earlier, the Bank of Adelaide is the last remaining bank that has this liability attached to its shares. It is a bank of high repute in the commercial world, and the original purpose of this attachment has disappeared and is no longer necessary under today's legislative provisions. It is, therefore, only fair and proper that this South Australian bank should be placed on a footing similar to that of other Australian banks in their respective States. I commend the Bill to honourable members for their consideration.

The Hon. A. J. SHARD (Chief Secretary): I support the Bill. It has been dealt with in another place and by a Select Committee. As the Hon. Sir Lyell McEwin says, it confers no benefits on the bank but it takes away the responsibilities for liability of some of the shareholders. I, for one, would never think that the liability placed upon the shareholders by a practice of years gone by would ever be called upon today. The Bank of Adelaide, in common with most other banks, has grown

wealthy. This old provision is no longer necessary. We have had a full explanation from Sir Lyell today. The Government raises no objection to the Bill.

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

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from August 30. Page 1391.)

The Hon. L. R. HART (Midland): When I sought leave yesterday to conclude my remarks, I was discussing items under "Railways". I appreciate that the Railways Department is a big one and that certain decisions can be made and by the time they reach the top of the priority list the urgent need for a particular project may not still exist. Indeed, that is what I believe is happening on a number of occasions. I think more attention should be paid to some of the projects entered into by the railways at this time because ample evidence exists that some are being carried out that are not necessarily the most urgent ones, but are probably projects that were given consideration several years ago although the urgency does not now exist.

During my speech I have endeavoured to offer constructive criticism, and I intend to continue doing so, but I make the point that I believe one of the reasons for the Government's getting into financial difficulties is that its priorities are not in their correct order. When an individual or organization runs into financial difficulties the first move is to curtail unessential expenditure, but there is little evidence that the Government has recognized this fundamental principle. Indeed, it has done the opposite, as members well know. Many of the actions of the present Government have involved, perhaps, only relatively small sums of money, but in the aggregate they have incurred heavy expenditure.

The next essential move when an individual or a Government finds itself in difficulties is to encourage and to assist the economic development of both primary and secondary industry in fields where the economy of the State can be bolstered. I draw the Government's attention to the urgent need for skilled extension workers in agriculture and the lack of recognition of this need in academic circles. A good case exists for the inclusion for some extension training in the syllabus of the agricultural science course. If we are to receive maximum use from rural resources, avenues must be provided through which the huge array of technical knowledge can be disseminated in a form easily understood and applied by the average farmer.

An increasing number of farmers today are forming themselves into farm management clubs and employing an advisor, or consultant, who is, in effect, an extension officer, but the development of this system is being hampered by the lack of suitably trained advisers or extension officers. We subscribe to superphosphate subsidies and grant taxation concessions to rural developmental expenditure, but there is no doubt that the nation would benefit handsomely from Governmental support given to the training and establishment of commercial consultants. Mr. John L. Dillon of the University of New England in Armadale in New South Wales states that there is a deficiency gap between farmer acceptance and utilization of new technology available to him. He went on to say that this gap could be as high as 50 per cent.

That is no reflection on the farmer, but it indicates a lack of application of the technical knowledge available to him at this time. The farmer is no better or worse than any other group in the community; the difference is that other groups employ specialists to advise them, particularly in secondary industry, where they are advised on the availability of technical knowledge and how best it can be applied. This the farmer is endeavouring to do but the personnel are not available. This has been recognized by the Commonwealth Government, and it has made money available for the purpose.

The Minister for Primary Industry, Mr. Adermann, recently stated that grants of more than $2,400,000 under the Commonwealth extension services grant had been made to boost agricultural expansion in Australia. The money was divided between the States and the South Australian share was $255,000. Mr. Adermann is Chairman of the Australian Agricultural Council which recently completed a two day meeting, and he said that another $100,000 had been granted for a series of minor research projects to match funds put up by the States or by industry. The Minister of Agriculture, Mr. Bywaters, has stated:

The Agriculture Department proposes to spend $48,000 of this Commonwealth grant on facilities and equipment on all research stations and on major capital works at Kybybolite, Parndana and Loxton research centres.

I query whether the State Government is entitled to spend this grant money on capital works, because it is made available for the expansion of extension services. Even if it

were entitled to use this money for such a purpose, such research expenditure can make no contribution to decreasing the efficiency gap. Indeed, such research can only widen that gap by producing results faster than the average farmer can handle them, and is, no doubt, the cause of the gap. Rather than continually pouring money into pure research we should be assisting in the practical application of the knowledge we already have. The Minister (Mr. Bywaters) went on to say:

A further $28,000 has been provided for the appointment of additional research and extension officers, and $37,000 for equipment and expanded publications handled by the department's extension service ranks for the awarding of an additional 24 cadetships for tertiary training of future officers of the department $32,000 has been provided.

At present we have 130 farm advisory consultants operating in Australia as against about 1,300 departmental extension and advisory officers. Extension-wise, in recent years we have seen a revolutionary development of farm management consulting on a commercial basis. It would pay handsomely to support this development *via* the training and back up service facilities. It would not be economical or feasible for governmental extension to try to compete with consultants in farm management. The figures I have mentioned do not make up the sum of $255,000 that I have mentioned as being available to South Australia, and some $100,000 is not accounted for. I wonder what the Government intends doing with that unexpended money that has not been accounted for? I suggest that the Government give consideration to applying it for the purpose for which it was granted. In order to give proof of the value of farm management consultants and to show how farmers benefit from the employment of consultants, I shall make two comparisons. One shows the average performance of B.A.E. 1960-63 sheep industry survey farms against the average performance in 1963-64 of comparable farms employing a professional farm management consultant. The other comparison is for farms in the high rainfall zone. The B.A.E. survey farms cover all States on a statistical sampling basis, and I have a table that clearly indicates the increase that can be obtained where a consultant is employed. I ask leave to have the table incorporated in *Hansard* without my reading it.

Leave granted.

Characteristic.	Wheat-Sheep Zone. Consultant Farms, 1963-64.	Wheat-Sheep Zone. B.A.E. Survey, 1960-63.	High Rainfall Zone. Consultant Farms, 1963-64.	High Rainfall Zone. B.A.E. Survey, 1960-63.
No. of farms	138	208	148	225
Area per farm (acres)	1,905	2,377	1,919	1,188
Capital ($ per acre)	103	32	98	58
Gross Income ($ per acre)	25	7	16	9
Net Profit ($ per acre)	9.6	1.8	5.6	1.7
Return on capital (%)	9.3	5.6	5.7	3.0

The Hon. L. R. HART: Taking the consultant-assistant farms as representing what is possible and the B.A.E. survey farms as representing the average, our average farmer is doing only half the job that he otherwise might be doing: half the job, moreover, measured not in terms of what some scientist might see as technically feasible but in terms of what a not insignificant number of farmers are already doing. I trust that the Government will give consideration to this urgent problem.

An item in the Bill deals with fishing havens, and $40,000 has been provided. It is stated that the work on the Edithburgh fishing jetty has been completed. I mentioned that jetty in my Address in Reply speech and do not intend to say more than that a move has been made to rectify the problems there. There are some interesting items under the heading "Waterworks and Sewers". One of these deals with the Barossa water district, which has concerned me for some years, one reason for that being that I live at the end of a long main and get very poor pressure, as do many of my constituents who are similarly placed.

Provision is made for the completion of the first stage of supply to the Two Wells and Virginia area. In effect, that is the completion of a duplicate portion of the Barossa main between Sandy Creek and Gawler. I should like the Minister to explain one or two matters in relation to this project. I am not an engineer, but I query whether the particular project being carried out will work effectively. From the Barossa reservoir itself a 48in. main continues for about two miles. Then a 34in. main continues for another three-quarters of a

mile to what is known as the Sandy Creek pressure tank. At that point, a further 34in. main continues on to Gawler. A 30in. branch main off the 34in. main continues into the Elizabeth area. When the main reaches its destination at Gawler, it branches in a number of directions to serve Gawler and Mallala and to cover all the area to Port Wakefield.

The duplicate main mentioned in this item is a new 27in. main that will meet the existing 34in. main at the Sandy Creek tank. So, in effect, we shall have a 48in. main from the reservoir, reducing to 34in. and, at the Sandy Creek tank, this 34in. main will be expected to supply another 34in. main plus a 27in. main. In effect, the 34in. main will be required to supply sufficient water for the equivalent of what is, in the aggregate, a 51in. main. I am not an engineer, but I question the feasibility of this project. No doubt the Chief Secretary will be able to satisfy my curiosity.

Some honourable members have dealt with sewerage. Here again, I question the priorities. Gawler is an area that has sewerage problems and has had them for many years. However, there has been a big build-up in the area and in the portion where the drainage is poor indeed. The build-up is continuing and this area is urgently in need of drainage facilities, if not of sewerage facilities. Recently I was on a deputation that waited on the Minister in relation to drainage in this particular area and I had the opportunity of inspecting the area with representatives of the local council. Not only would a drainage scheme drain the area, but it would drain the water into the River Para. The Mines Department considers that there are faults in the River Para system that would feed water into the underground basin, so any water fed into this system would not only drain the area referred to but also help to supply our underground basin.

Another matter in relation to sewerage on which I think the Government should announce its intentions is the disposal of effluent. The Effluent Disposal Committee recently made recommendations and, although the paper has been printed, the Government has not announced whether it is likely to adopt the recommendation. I have studied the recommendation and it seems to me that it will never apply because of the high overhead costs involved, but the Government has an obligation to make an announcement about the report, because many people in the Virginia area are anxiously awaiting information about what will happen in regard to sewage effluent.

Another matter of interest in my own locality is the provision of $310,000 for the new pathology and casualty section at the Lyell McEwin Hospital. Recently I had the pleasure of attending the opening by the Chief Secretary of extensions to that hospital. Several years ago the present Chief Secretary said in this Chamber that he favoured the establishment at that hospital of a casualty section and, indeed, at the opening he made a point of informing the people that he favoured the establishment of such a section. I agree that perhaps a casualty section is necessary in this area, but I point out that the Lyell McEwin Hospital is incurring an annual loss of about $70,000. That loss has to be made up by the three councils involved. Their contributions are based on a formula that depends on the proportion of patients from the particular area who use the hospital. The Elizabeth area has to pay about $34,000, the Salisbury council about $19,000, and the Munno Para council about $15,000. I wonder what provision will be made for the increased loss that will be incurred through the provision of this casualty section, because there is no doubt that a casualty section, in this area particularly, has no hope in life of paying its own way. This section could easily involve the hospital in double its present loss: in fact, the loss could be considerably more than double.

These councils have written to the Minister of Local Government asking that their contributions be limited to $20,000 each. This would be about the same amount as is contributed by metropolitan councils to the Royal Adelaide Hospital, which serves their areas. However, there has been no reply from the Minister. A deputation waited on the Chief Secretary and asked that these contributions be limited, but I believe it has not yet received any reply.

The Hon. A. J. Shard: That is wrong. It has received a reply.

The Hon. L. R. HART: It must be recent.

The Hon. A. J. Shard: About three weeks ago.

The Hon. L. R. HART: That is fairly recent. I hope it is favourable.

The Hon. A. J. Shard: Keep up with your homework and you will be all right!

The Hon. L. R. HART: It is not only the Lyell McEwin Hospital that is incurring losses: almost daily we read press reports that other hospitals are incurring losses. In fact, practically every country hospital is now operating at a loss. I wonder how long we

can carry on under this system. I ask the Chief Secretary whether he can give any good reasons why the Lyell McEwin Hospital should continue as a community hospital when the Government intends to build a Government hospital in the near vicinity. I do not see any reason why one section of the community, particularly in a highly-populated community, should have a Government hospital whereas another section of the community not far away has to subscribe to a community hospital.

I do not wish to delay this Council unduly, as I understand we are to rise today and that other speakers are to follow. However, I suggest that the Government in the months ahead should seriously consider the priority of expenditure, because this State is facing a precarious financial position. I know that the Government says, "This is not peculiar to this State. Look at what is going on in other States." However, over the years this State has probably been in a better financial position than the other States have been, and it will be only through good housekeeping that we shall again have a sound economy. I support the Bill.

The Hon. Sir ARTHUR RYMILL (Central No. 2): I propose to deal with this Bill purely in general terms, because I think particularities have already been dealt with fairly considerably. The Loan Estimates indicate to me how very much times have changed over the last 18 months, because the answer today to practically everything asked of the Government is that it has got no money. The Loan Estimates, of course, show a very heavy pruning of expenditure before that answer is ever given, yet the Government has and has had far more to spend than ever the Playford Government had to spend in one year. The speech introducing this Bill states:

> The immediate past year unfortunately experienced a marked slowing down in economic activity.

This, as I have said, is after only 18 months. I join the Hon. Mr. Hill in quoting from the Premier's policy speech, which was delivered in February last year, because when one looks back it becomes quite illuminating in certain aspects. Under the heading of "General and Public Works" the Premier said:

> Undoubtedly the Liberal and Country League Party will make a feature of the prosperity of this State.

That was the condition of the State at the time this policy speech was made, because the Labor Party acknowledged that the Liberal and Country League Party would make a feature of the prosperity of this State. He continued:

> As a Party, we are very mindful of the need for a public works programme, but we are also aware that we cannot afford to be too elaborate in our approach in these matters when we have to compete against private works, as the labour market has its limitations insofar as manpower resources are concerned, but in the event of any curtailment on the part of private enterprise our policy will provide for a speeding up of a public works programme which will be to the advantage of the State generally.

Exactly the opposite has happened. I have said that I am not over-critical of the Government for not fulfilling all its promises all at once: one must expect the Government to be able to spread its promises over its term of office, especially when many of the promises, as my colleague has pointed out, are very costly promises. However, I would have expected the Government to do at least one thing that it promised it would not do. This is a curious feature because not only do we get this position where, as far as Loans are concerned, the Government has done exactly the opposite from what it promised to do, but in at least one other aspect the Government has done something that it promised not to do. I came across this when browsing through the policy speech. It is of interest and I think it bears repeating:

> Another Playford proposal was to create another district of four members in the Legislative Council on a restricted franchise. This was opposed and will continue to be opposed by the Labor Party whenever it is submitted to Parliament.

Then follows the point I want to make:

> So also will any proposal to increase the Ministry to provide for six Ministers in the House of Assembly and three in the Legislative Council until such time as there is a substantial increase in the number of members in the House of Assembly. The Labor Party has always been opposed to Executive control and our reason in this matter is that we must give greater opportunities for the voice of the people to be heard in Parliament rather than to be subjected to Executive control by an extra Minister without a substantial increase in the number of members.

What has the Government done? Within about six months of obtaining office it appointed this extra Minister without increasing the number of members in the House of Assembly. So, when mandates and that sort of thing are being spoken about in this Chamber, one wonders where we are getting to when the Government itself is not sticking to what it said it was going to do.

I did a little sum in relation to these Loan Estimates, because the explanation is not easy to understand. I think it follows the traditional

pattern but I found it difficult to extract the figures I wanted. My sum goes as follows: additional Loan money over and above that of last year, which is available to the Government, is $5,481,000, making a total amount available for the Loan Estimates of $88,430,000. Out of that has to come the housing allocation of $20,750,000, leaving a sum of $67,680,000 available. Added to that are recoveries, which are estimated at $12,100,000, but from it must be deducted the amount by which the Government went down by way of deficit on Loan Account last year.

Taking those two amounts into account, we get a figure of $77,315,000 available, which is more than $2,000,000 greater than what was available last year, even after funding the Loan debits against this year's Loan availability. The Government has chosen (as, in my opinion, it is entitled to) to set against these Loan Accounts certain building grants for institutions and so on, totalling $6,400,000; so that leaves available for expenditure this year $71,315,000—that is, the amount actually available after those institutional grants have been made and after funding the deficit—which compares with $75,000,000 last year.

The building grants have been removed from Revenue Account to Loan Account to relieve the Revenue Account. Of course, the deficit on the expenditure budgeted for is the fractional sum of $144,000, which is as near to a balanced Budget as we would expect any Budget to be. What we all have to remember, though, is that these Estimates are only estimates: they are not binding on the Government; the Government can spend more money or less money. Indeed, we saw this happen last year when the Government went down by a considerably greater deficit than it had anticipated it would in its Budget. It is important for us to realize and remember this, because these are only estimates, and the tale will be told at the end of the financial year when we see exactly what has happend.

These Estimates, too, cannot be considered in isolation, because the Revenue Estimates as well as the Loan Estimates are part of the Government's annual finances. I think the Revenue Estimates are being delivered this afternoon or this evening, so of course they are not yet available. I shall have more to say when they are, because that will give the overall picture and then one will be able to see it more clearly. But certainly an attempt is being made here to balance the Loan Budget. I imagine that, when the Revenue Estimates come along, a similar attempt will be made there, because we see already in these Loan Estimates that the Government has moved some of its annual expenditure out of Revenue into Loan—no doubt for the purpose of trying to balance the Budget. However, as I say, it is not a question of what the figures say at this time of the year: it is a question of how they finish at the end of the year when the actual figures are known.

Doubtless, the Government is facing difficult times. There are wage increases all round; the Government is short of money; already it has deficits to fund; and apparently it has an unemployment problem looming to which it will have to try to find the answer. The answer to this does not consist in blaming the Commonwealth Government, as seems to have been the tendency. The simple lesson to be learned is that there is only a limited amount of total funds available to any State Government. If we give hand-outs to the existing work force and we absorb the whole of the money available, we cannot employ anyone else—it is as simple as that. If we give more hand-outs so that the expenditure amounts to more money than is available to us, we shall run into debt, as the Government has, which presents us with not only present but also future difficulties. That is the position we have got into.

I do not want to say much more, as there is other important business before the Council today. This matter has been considerably canvassed by other honourable members, so I conclude by saying that I shall be interested to see what happens with the Revenue Estimates and I shall probably have more to say on these Loan Estimates in conjunction with them, because they all form part of the State's financial pattern for the whole year. I support the Bill.

The Hon. H. K. KEMP (Southern): In speaking in support of this Bill, I feel there are some matters that must be brought forward from the Southern District because the position is becoming more and more dismal. In fact, we could well describe this as one of the most dismal documents put before Parliament for many years. Every case involving a retrenchment means less and less work going on. The features that are important to our district are these. First and foremost is the Keith main.

I do not think the Government has any understanding of the importance of this work to the districts that it covers. It means that the production which was anticipated and which had

been invested in by many landholders in that district cannot now be obtained through lack of stock water and water for other purposes. This is a terrible breach of contract with those people beyond Coonalpyn. The importance of it should not be glossed over.

There is a sum of $750,000 provided for the Loans to Producers Fund. That is another serious matter for the smaller farmers in Southern District. I spoke at some length on this in the debate on Address in Reply, but I think it should be underlined again. Yesterday, the Premier in opening a function said that we must export more and more. In the dairying, fruitgrowing and fishing industries we are completely dependent upon this Loans to Producers Fund for the means by which we can export our produce. We all know that we are in trouble in the wine grape-growing industry, in citrus growing and in other fruitgrowing industries.

In the case of either canned or fresh fruits of any kind, as soon as they are ready to go into the oversea market, we are absolutely dependent on the processing by which they are prepared for sale. We cannot possibly find in the industries the capital needed without the assistance of this Loans to Producers Fund. This applies to all produce of a small farmer and to many larger farmers as well; the repercussions are indeed serious.

The reorganization of the citrus industry in the southern part of the Murray River will be badly impeded because of the lack of packing and processing plants to handle the large volume of fruit produced along the river. The surplus cannot all be exported unless a large investment is soon made in the packing sheds that service the area concerned.

Members have seen in the statistical reports put forward the manner in which every year dairy farms produce more and more milk, and they are doing it efficiently. Our surplus dairy produce available for export amounts to perhaps three-quarters of our production throughout the year; certainly the export figure would be at least 60 per cent and we are sending it overseas chiefly as cheese. You cannot make cheese without a cheese factory, and we cannot handle the increasing volume of dairy production unless we have the assistance of this fund; although we are urged to export, the means of exporting are cut down considerably.

I do not wish to speak at length on these Loan Estimates, but Mount Gambier residents will be extremely disappointed when they realize that no reference is made to a high school that is essential for the children of that city. The existing schools are completely inadequate for the growing population in that important district.

Recently I visited a school at Murray Bridge where gross overloading of classes exists. That will necessitate the construction of more classrooms as well as the provision of more teachers, but where are such teachers to be trained? The allocation of Loan funds to build not only the schools but schools for the instruction of teachers has been cut down this year. In my opinion, the whole picture has not been disclosed.

It recently came to my notice that in the Hills area the Electricity Trust is seriously short of funds. Whether this is a temporary or permanent position I do not know, but funds are not available for the expansion of the network of distribution. In fact, in one instance that came to my notice a man required only one post for an extension to make use of a newly discovered water supply on his property but the trust advised that there were no funds available to provide this post, nor did they know if or when such funds would be available.

No disclosure of any shortage is made in any pronouncement of the Government, nor is any indication given of the seriousness of the position that has developed so rapidly. I believe there is a little bit of concealment—it would be more like camouflage—in the way the Estimates have been prepared.

A big introductory note is made of the large amount of money being expended on the standardization of the railway from Broken Hill to Port Pirie. Further, a big publicity drive has been carried out in connection with Roseworthy college as to the installation of new equipment there which will allow the efficiency of instruction to be improved, and yet neither of the items mentioned really enters into the Loan Estimates, because the money is being completely provided by the Commonwealth Government for the State.

Therefore, it is extremely difficult for a private member to determine the true position. It is, as I said earlier, dismal indeed, and it is with great regret that I support the Bill.

The Hon. JESSIE COOPER (Central No. 2): I rise to support the Bill. The Chief Secretary's explanation of the Loan Estimates and the State's current finances reveal a tragic reduction in South Australia's advancement and development. For some years this State has been developing at an ever-increasing speed. There has clearly been an acceleration in increases in public works, in increases in new

plants, new factories, new businesses. There has clearly been a continuing acceleration in the settlement of people, in the home building population, in primary and in secondary industry. But what have we found in the last year? A falling-away in employment, a falling-away of inquiries concerning the establishment of new industries, a falling-away in home building, an agitation against the intake of more migrants, and a growing fear in the community that work will not be available for all.

Now there is before us a Loan Estimates programme which clearly will not provide as much development for South Australia or work for the people as has been the case in former years' programmes.

To those of us who put South Australia's future before Socialism or other fetishes it is heartrending to see the work of years being destroyed, to see South Australia rapidly approaching the position where she may again become what was called a mendicant State. The figures presented have been adequately analysed in this House already. I do not propose to survey this ground again.

I wish to comment, however, on two or three items as to how the State's money is being spent. I refer to the Government Buildings section and I wish to refer to both inclusions and omissions. I cannot fail to be disappointed that there is no provision made for the building of the new women's prison. Six years ago I was requested to visit the Adelaide Gaol to see under what conditions women prisoners were forced to serve out their sentences. I did so, and I was appalled at the contrast between the conditions of the women's prison at Adelaide Gaol and the conditions of the model prison for men at Cadell.

Honourable members who were in Parliament at that time will recall the visit we paid that year to Cadell. We saw modern rehabilitation methods in action and found that the men were being given every chance to reform and to become useful citizens. The plight of the woman prisoner was far different. The set-up at the Adelaide Gaol was that, apart from the women's section, only male prisoners on remand or male prisoners serving short sentences were confined there. A female prisoner was in fact being punished drastically for her crime, being forced to serve her expiation in the antiquated horror of this gaol.

No matter how helpful and sympathetic the members of the staff were they could not undertake any real rehabilitation programme without the addition of more facilities. The cells were cold, with virtually no natural light, and toilet arrangements were hideously primitive. The members of the Prisoners Aid Association were co-operating with the staff to do what they could to relieve the lot of these unfortunate women, but the surroundings gave them little scope. That was the picture in 1960, and during the debate that year I asked the Government to give serious consideration to the building of a small modern prison for women in the near future.

The Government did consider this matter and plans were drawn in 1961; but it took another two years for those plans to reach the Public Works Committee. This modern women's prison was planned to accommodate 46 inmates and to be erected on land half a mile east of Yatala Prison and directly north of Northfield Hospital. In 1964 it was announced that this project was to be delayed. What is the picture today? Certain improvements have been made—a dormitory with modern conveniences was built over two years ago to accommodate 12 women, but otherwise conditions remain much the same.

A brief summary of rooms will give honourable members some idea of the difficulties encountered by the staff. The matron's office is 9ft. by 6ft. and is very cramped. The typing room, which is used as a reception room for new prisoners, is likewise 9ft. x 6ft., as is the doctor's consulting room. The duty room is 12ft. by 12ft. and serves as luncheon room, cloakroom and general office for the staff. The counselling room, 12ft. by 12ft., is adequate, although there is nowhere for a woman to wait other than on a verandah, which is open to all weathers. The laundry has also been improved by purchase of modern equipment. The sewing room is adequate, but the kitchen has to be used for classwork. Storing space is very limited. The community room will take 20 women, and at present there are 30 prisoners. In this room meals are served, church services are held; it is the only recreation room at all. All cells are 9ft. by 6ft. The only ventilation is a small window high over the door. There is an air-cell but it is very small and opens on to a male prisoner's cell on the other side, and that is not particularly salubrious. There are no toilet fixtures and still today, in this year of grace, the degrading bucket system is in operation. I therefore appeal to the Government to give urgent consideration to the immediate building of a modern prison for women.

In contrast to the apparent disinterest and neglect in this matter is the enthusiasm for building bigger and better pyramids to the glory of the Police Department. I want to make it perfectly clear that I am not objecting to the activities of our splendid Police Force, a force that is understaffed, overworked and insufficiently honoured in the community. However, I do draw honourable members' attention to the disproportion of the State's expenditure in these matters. We have recently seen the completion of an extremely expensive police headquarters in the city. In addition, we are now asked to approve the provision of $507,000 for the police training academy at Fort Largs. This, we are told, is a further part of Stage 1. Stage 1 (including the original purchase from the Commonwealth Government) appears to encompass an expenditure of over $1,000,000.

Parliament can only guess in horror the sums that ambition might visualize for Stages 2 and 3, presumably still to come. I emphasize this matter because this House constantly hears of the inadequacy of our prison buildings, not overlooking the one to which I have specifically referred. I underline the fact that this State seems to have far too few policemen but no shortage of glorious public edifices.

I am very disappointed at the allocation of money to tertiary education. I see that the University of Adelaide is to receive $1,200,000, and that the Institute of Technology is to receive the same but that the new Flinders University is to receive only $1,400,000 at this vital time of its existence. It is perfectly clear that this money is only a fraction of what these institutions have been asking for. All honourable members must be aware that, irrespective of what moneys are made available by the Commonwealth Government in the next triennium, it is obvious that expansion of our universities on the basis that has been experienced previously will not be possible. It appears from this that the building programme at Flinders University will have to be severely curtailed. I deplore that.

The Hon. A. J. SHARD (Chief Secretary): I thank honourable members for their suggestions and for their co-operation in getting this Bill through today. In this regard we were able to arrive at complete agreement with the Hon. Sir Lyell McEwin and the Hon. Mr. DeGaris on a voluntary basis. I want it to be clearly understood that there was no big stick used but that we co-operated well. We suggested that it would be good to get the measure through before show week, and I appreciate that, with co-operation, we were able to do that. Although I could reply to the many matters that have been raised, that would take a considerable time.

The Hon. Sir Arthur Rymill: You could probably do that in the debate on the Revenue Estimates.

The Hon. A. J. SHARD: I shall probably do that. The Hon. Mrs. Cooper mentioned the women's gaol, and I shall be pleased to examine that matter. I do not know when plans were prepared, but nothing was dreamed of when this Government took office, so we cannot be blamed for that. I have not seen the Adelaide Gaol but I endorse what has been said and what I have heard about it. There is a definite plan now for a new women's gaol at Northfield, somewhere near Yatala, and I hope it will be built as soon as money is available. I shall examine the planning and find out where it has been put on the order of priorities.

Although honourable members of this Council may realize that it was not the fault of this Government that the project was stopped, the newspapers will see that the impression is created outside that it was our fault. I can see big headlines in the newspaper tomorrow morning, because the Hon. Mrs. Cooper has mentioned the gaol, that this Government is to be blamed for having stopped work on it. I hope our friends will hear my statement that this Government has not stopped or pushed back the Adelaide Gaol or any other institution in the order of priorities. I make it definite to my friends concerned about hospitals that the Government has said that any work commenced or allocated in connection with hospitals and buildings will be carried out. So far as my department is concerned, that has been honoured 100 per cent, and I hope the press makes a point of that. If any honourable member can say that priorities for hospitals, gaols, prisons or police have been delayed since I took office, please tell me, because I do not know of any. I can get really worked up about this because, although I am not egotistical, I do take an interest and know what is going on in my department. If you want hospitals, gaols or prisons, you can have them!

I am sorry the Hon. Sir Lyell McEwin is not here at the moment (I do not say that disrespectfully), because he has asked some pertinent questions about money, and I take up the challenge. I have had many years in public life, during which I have handled large sums of public money. When the spending or mis-spending of public moneys is mentioned,

I get a little annoyed, because there has been no mismanagement. Trust funds are sacred to me. I can still walk along King William Street to the Trades Hall with my head held high and look everyone in the office in the eye and say, "We have done nothing dishonest." I express my appreciation to the officers who prepared the necessary replies to the matters raised.

The Hon. R. C. DeGaris: We were complaining about the change in priorities.

The Hon. A. J. SHARD: The terms used were "mismanagement" and "mis-spending", insinuating that we were dishonest with spending. If anyone goes through my life's history and sees how careful I have been with the few bob I have earned, they will have an object lesson! I have handled thousands of dollars for unions and other people, and I have handled it carefully. I am not the Treasurer but, as I am a member of Cabinet, I take personal exception to terms such as "mismanagement" or "mis-spending".

The Hon. C. M. Hill: It was not intended personally.

The Hon. A. J. SHARD: That does not matter: the impression that the papers create matters. People have asked me in the street what is going wrong when they have seen reports about mismanagement and so on. Honourable members write down our Public Service when they say these things here. On a previous occasion I said we had the same set of audit officers, and one honourable member said, "Yes, but they are under different directions." That insinuates that we are not capable. That is the impression abroad: let honourable members have no misgivings about it!

The Hon. Sir Arthur Rymill: I do not think anyone implied that you were incapable.

The Hon. A. J. SHARD: It was said in this place.

The Hon. Sir Arthur Rymill: I think you are putting a wrong construction on what was said.

The Hon. A. J. SHARD: No, I am not. The honourable member has said his piece. He may be an economist, but when a member said something about me by interjection the other day, I could follow the member who was speaking better than the member who interjected could do. These things have been said deliberately to create the impression they have actually created.

The Hon. L. R. Hart: You made accusations when you were in Opposition.

The Hon. A. J. SHARD: I never challenged people's honesty or said that they could not manage money. I have never called anyone dishonest, but that is what has been said in this Chamber about my Party.

The Hon. R. C. DeGaris: I do not think that is quite right. Can you show where the word "dishonest" was used?

The Hon. A. J. SHARD: Yes, I rose on a point of order and had a remark withdrawn.

The Hon. R. C. DeGaris: On this Bill?

The Hon. A. J. SHARD: In this Chamber last session.

The Hon. R. C. DeGaris: Aren't we dealing with the Bill before the Chamber?

The Hon. A. J. SHARD: Yes, and let us get on with it.

The Hon. A. F. Kneebone: I had to have a remark withdrawn the other day.

The Hon. A. J. SHARD: Yes. We are going along quietly.

The Hon. D. H. L. Banfield: And well.

The Hon. A. J. SHARD: Yes, and I hope that all those who think that the next election result is past the post are of the same frame of mind when it is held and that they have a few bob in their pockets, because I love to have a little side wager.

The Hon. D. H. L. Banfield: Is that legal?

The ACTING PRESIDENT: Order! The Minister must address the Chair.

The Hon. A. J. SHARD: Yes, Sir. I will get back to the figures relating to the Royal Adelaide Hospital. A few years ago the Hon. Sir Lyell McEwin gave some figures that were near the mark, but the figures I quoted were right. I can understand his not having the right figures, because this matter goes back to 1962. I have obtained the following report on the Royal Adelaide Hospital redevelopment:

With reference to the extract from *Hansard* dealing with the costs of the Royal Adelaide Hospital redevelopment, in answer to the questions I have set out very briefly the history of the job. In June, 1960, a scheme estimated to cost $31,702,800 was presented to the Public Works Standing Committee. In 1962 a revised scheme, estimated to cost $16,452,000, was presented to the committee. Neither of the above figures included loose equipment, furniture and fittings, because it was not known at that time how much existing hospital equipment would be re-useable. As the development progressed, it became possible to determine accurately the extent of re-useable equipment, and a firm estimate of $3,894,000 was established for equipment. Thus, the gross estimate for the Royal Adelaide Hospital redevelopment is $16,452,000, plus $3,894,000 for equipment, etc., plus increased costs due to natural increases since 1962, $3,454,000—a total of $23,800,000. The rebuilding is about

half completed, and there have been no major variations to the original 1962 scheme.

As I said, and as was reported in *Hansard*, I was informed when I took office that the total cost was $24,000,000. I was only $200,000 out, and that is not much nowadays.

Some questions have been asked by the Leader of the Opposition about the legality of the proposed expenditure out of Loan Fund upon grants for building purposes to certain tertiary educational institutions and non-government hospitals, but there can be no doubt whatsoever on this score. There is no provision in any State or Commonwealth Act that restricts the expenditure of Loan funds to the provision for capital works that results in the acquisition of a property or asset owned by the State; and there is no provision that the expenditure should be entirely restricted to works that may be fully or even partly productive of a return to cover the interest and repayment of the Loan moneys used. There are, and always have been, provisions from Loan accounts in this State and all other States for Loan expenditures which result in little and even no compensating net revenue.

The provisions for schools and hospitals are outstanding cases in point. Whereas it has not been general practice in this State to extend the use of Loan funds beyond financing buildings of that kind owned by the State, all other States have extended Loan provisions to such buildings owned by other non-profit educational and hospital authorities. For instance, the Victorian Treasurer's statement for 1964-65 shows on pages 161 to 163 a schedule entitled "Payments from Loan Funds to Hospitals and Charitable Institutions", aggregating nearly $11,500,000 for the year. This contains between 200 and 300 lines, the majority of which are not Government hospitals.

The same document shows on page 107 that the provisions to universities and university colleges to June 30, 1965, aggregated over $23,000,000. The published Public Accounts of New South Wales for 1964-65 show on page 135 a 10-year schedule of Loan charges for subsidized hospitals, for new buildings, etc. ranging from about $5,750,000 to nearly $13,500,000 annually. It shows comparable figures on page 139 of building grants out of Loan for universities, which varied from over $2,000,000 in 1955-56 to over $6,000,000 in 1964-65.

All these provisions made in the other States out of Loan for non-government buildings have been clearly disclosed and have always been listed in detail in the proposed programmes submitted to the annual Loan Council meetings. Neither the Commonwealth Ministers nor any State Premier has ever questioned the legitimacy of such provisions; nor has there been any suggestion that they constituted a subterfuge to avoid the provisions of the Financial Agreement. Moreover, no public officer of a State or the Commonwealth has queried at Loan Council either the legality or the propriety of such provisions.

There is, likewise, no question of subterfuge in this State's present adoption of the procedure, which is common to other States. It has been fully disclosed in the papers placed before members and in the relative public documents, and the reasons likewise have been fully and freely disclosed.

It may be that there has been some misunderstanding by certain honourable members that the changed procedure might involve an indirect means of meeting part of the deficit actually incurred on Revenue Account in 1965-66 when building grants were authorized from and met from revenue. If this were done it might possibly be regarded as an avoidance of the statutory responsibilities of the State under the Financial Agreement. However, such is not the case. The provisions in the Public Purposes Loan Act specifically appropriate money for these building grants to cover expenditure contemplated in 1966-67, and in no way recoup any comparable expenditures which have already been authorized and met from Revenue Account up to June 30, 1966.

I have another report, this time dealing with trust funds, which I hope will answer questions asked by the Hon. Mr. Hill. However, I have not at the moment an answer to his question about whether it was factual but I assure him that he can have a reply by letter or, if he cares to ask a question when we resume, the reply will be read to him. I have nothing to hide in dealing with the State's finances. This report states:

The names of the bodies and authorities which have deposited funds in the Treasury, or in respect of whom other authorities including the Treasurer have deposited moneys, are shown annually in the Public Accounts released and reported upon by the Auditor-General. In the 1965 Audit Report they are listed on pages 332, 333, 336 and 337, and show the amounts held at June 30, 1965. The 1966 Audit Report will be issued shortly and shows the figures as at June 30, 1966. The totals for June 30, 1966, are: trust funds $12,984,000 and deposit accounts $14,338,000, making $27,322,000 in all.

It is quite impossible to say just which particular funds out of this total have actually been used for deficit financing, just as it is

impossible for any bank to specify in particular whose deposits it may have utilized for financing its overdraft accounts. What can be said, however, is that the total of the trust funds and deposit accounts was, at June 30, 1966, $27,322,000. The Treasurer at that time held bank balances, including fixed deposits, of $18,806,000 and there were various minor advances and items in suspense held by departments amounting to $439,000. The difference between these figures is $8,077,000, which is the amount of funds used by the Treasurer at June 30, 1966, to finance the deficits of $5,612,000 on Revenue Account and $2,465,000 on Loan Account. As to the proposals of the Government to recover these deficits, an announcement of the financial policy and plans of the Government will be made by the Treasurer when presenting his Budget this evening.

On the matter of deposits with the Treasurer by the South Australian Superannuation Fund, these amounted on June 30, 1966, to $680,000. They were only temporary balances held by the fund as a bank current account principally to cover commitments already made for lending on housing. The financing of the Government deficits has had, and will have, no effect upon the Superannuation Fund's extent of lending on housing or its other investments. Its deposits with the Treasury are available on call with no restriction whatsoever. In point of fact, no depositor with the Treasurer is in any way embarrassed or restricted by the usage of balances in the hands of the Treasurer in some measure for deficit financing from time to time.

There were one or two other things I should like to have touched on, particularly hospitals, but I shall reserve that to a more convenient time. If hospitals are not mentioned in the Budget, perhaps I shall deal with one or two hospitals mentioned in this debate. Again, I thank honourable members for their assistance and co-operation in getting this Bill through this Council.

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

LOTTERY AND GAMING ACT AMENDMENT BILL (T.A.B.)

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 main purpose of this Bill is to give effect to the resolution passed in the House of Assembly on October 20, 1965, that a Bill should be introduced by the Government to make provision for off-course betting on totalizators similar to the scheme in operation in Victoria. Following upon this resolution the Government conducted a comprehensive investigation into the schemes and operation of off-course totalizator betting in Victoria and other States and the feasibility of adopting a scheme of off-course totalizator betting in South Australia. After carefully weighing all the relevant factors, the Government is of the opinion that the scheme of off-course betting on totalizators in operation in Victoria could be suitably adapted for use in South Australia and that this Bill, which is substantially based on that scheme, provides the fairest and most practical scheme for adoption in this State. The scheme envisaged by this Bill includes a number of associated matters, provision for which is essential to ensure the successful operation of off-course totalizator betting in this State.

Clauses 1 to 4 of the Bill need no explanation. Clause 5 amends section 4 of the principal Act which contains the definitions necessary for the purposes of the Act. The clause adds the following new definitions: "the Fund", which is an account to be established in the Treasury which shall be earmarked for the purposes of public hospitals as defined in new section 31s; and "the Totalizator Agency Board" which is to be constituted under new Part IIIa as enacted by clause 8.

I would draw particular attention to paragraph (*c*) of this clause which widens the definition of "totalizator" to include a totalizator pool scheme conducted by the Totalizator Agency Board to be established under the new Part IIIa. Clause 6 repeals and re-enacts section 28 of the principal Act which deals with the mode of dealing with moneys paid into a totalizator used by a club. Under the existing section every club using a totalizator is required to deduct 12¾ per cent of the moneys paid into the totalizator in respect of each race and pay out the balance by way of dividends but it shall not be necessary to include in any such payment any fraction of five cents in respect of each unit of fifty cents comprised in any totalizator ticket.

The section goes on to provide that the club holding the amount of such unpaid fractions on any day may use the same on that day to increase any dividend that is less than the amount staked to an amount not exceeding the amount staked and any balance of such unpaid fractions must be paid by the club to charitable purposes. The section also provides that out of the 12¾ per cent deducted by the club, it must pay the stamp duty charged under the Stamp Duties Act in respect of totalizator takings and the balance

of the 12¾ per cent may be retained by the club for its use and benefit.

The section as re-enacted by clause 6 provides that the provisions of the existing section will apply until the appointed day (which will be the day on which off-course totalizator betting commences). From the appointed day, however, each club using a totalizator shall deduct 14 per cent of the moneys invested on the totalizator (otherwise than through the agency of the Totalizator Agency Board) and the balance is to be used for the payment of dividends excluding fractions of five cents. After careful consideration it has been decided that in order to ensure the successful operation of off-course totalizator betting it would be essential to make the deduction of 14 per cent from all investments on the totalizator both on-course and off-course.

In New South Wales and Victoria the deduction is 12½ per cent, in Queensland it is 13¾ per cent for the metropolitan area and 15 per cent elsewhere, whilst in Western Australia it is 15 per cent. The new section goes on to provide that the amount derived by reason of the non-payment of fractions after the appointed day is to be paid into an account to be known as the Dividends Adjustment Account which shall be established and maintained in the Treasury. This account will be utilized for guaranteeing the repayment to a bettor of the amount of his stake where the ordinary dividend will amount to less than the amount staked except in the case of dead heats in which case the ordinary dividend will be declared and paid. Any surplus moneys in the Dividends Adjustment Account will be paid into the fund and earmarked for public hospitals. It is anticipated that the operation of the Dividends Adjustment Account will permit a more simplified and practical arrangement from that at present operating to guarantee a winning return at least equal to the stake.

Out of the 14 per cent deducted by a club under this new section the club is required to pay the necessary stamp duty and the balance of the 14 per cent shall be applied by the club as follows:

(*a*) where the balance represents any part of the 14 per cent which is deducted by a club from moneys invested on the totalizator in respect of any race conducted by the club before the expiration of three years after the appointed day, the club may retain it for its use and benefit:

(*b*) where the balance represents any part of the 14 per cent which is deducted by a club from moneys invested on the totalizator in respect of any race conducted by the club on or after the expiration of three years after the appointed day, the club shall pay into the fund an amount equal to 1¼ per cent of the moneys invested in respect of that race on the totalizator at the racecourse and the remainder of that balance may be retained by the club for its use and benefit.

The Goverment has taken the firm view that, apart from any temporary arrangement which may be appropriate whilst the new scheme is being developed, the additional 1¼ per cent deduction from on-course totalizator pools beyond the 12¾ per cent deduction under the Act as now in force should be used for the benefit of hospitals and not be permanently available to the clubs. However, it is recognized that during the earlier stages the clubs' net additional revenues from off-course totalizators will be rather lower than could be anticipated later, and moreover that it is desirable that the clubs undertake special expenditures upon on-course totalizator installations, facilities and information services, so as to give considerably improved service to the public.

Accordingly, it has been decided to provide that the extra 1¼ per cent may be retained by the clubs for a period of three years. However, the retention of this proportion for that period should, it is felt, be understood to be conditional upon the clubs carrying out the requisite improvements to totalizator facilities on their courses. Clause 7 makes a consequential amendment to section 29 of the principal Act arising from the provisions of subsection (9) of new section 28 as re-enacted by clause 6. Clause 8 enacts a new Part IIIa, consisting of new sections 31a to 31v, which deals with off-course betting on totalizators. New section 31a contains the definitions appropriate to the new Part.

New section 31b provides for the establishment of the South Australian Totalizator Agency Board as a body corporate with the usual powers of such a body. The board is to consist of eight members appointed by the Governor, of whom the chairman will be appointed on the recommendation of the Minister and the other members on the nomination of various racing and trotting organizations in the State. Under subsection (5) of this section the Minister is required to consult with such bodies representing racing and trotting

interests as he thinks fit before making a recommendation for the appointment of the chairman. Under subsection (6) the nominee of the Country Trotting Clubs Association must reside more than 20 miles from the General Post Office. Under subsections (7) and (8), one nominee of the Country Racing Clubs Association must reside north of, and more than 30 miles from, the General Post Office, while the other nominee of that association must reside south of, and more than 20 miles from, the General Post Office. Provision has been made in subsection (10) for the appointment of a deputy to act for a member who is unable to attend to the business of the board for any period of or exceeding three months.

New section 31c deals with the tenure of office of members. Provision has been made for the first eight members to hold office until August 31, 1970, but all other appointments will be for a term of three years. New section 31d provides that the chairman shall preside at all meetings of the board at which he is present but in the absence of the chairman and the deputy of the chairman from a meeting the members present at the meeting may elect a chairman for the meeting. The section also provides that five members constitute a quorum and at any meeting of the board the decision of the majority of the members present shall be the decision of the board and the chairman shall have a deliberative vote and, in case of an equality of votes, a casting vote as well.

New section 31e deals with the common seal of the board. New section 31f provides that the members shall be entitled to receive remuneration and allowances from the funds of the board at such rates as are fixed by the board with the approval of the Minister. New section 31g requires the board, not later than September 30 in each year, to furnish the Minister with a report on its operations during the year ending on June 30 of that year. The board must also keep full and proper accounts of all its financial transactions and have its accounts audited annually by an auditor approved by the Treasurer. The Minister is required to table before Parliament each annual report of the board.

New section 31h empowers the board to appoint such officers, employees and agents as it thinks fit, establish offices, branches and agencies, etc., but provides that no office, branch or agency shall be established or operated by the board unless the location and premises thereof have first been approved in writing by the Minister who, before granting or refusing such approval, must have regard to the proximity of the proposed office, branch or agency to places of public worship, schools, licensed premises and other relevant matters. This provision has the advantage of providing the Government with control over the establishment of agencies by the board and in particular would provide a safeguard against the indiscriminate establishment of agencies. It will also enable the Government to exercise adequate control over the establishment of any agency at Port Pirie and in exercising such control the Government will have regard to the wishes of the people of that town as well as social and economic factors.

New section 31ha empowers the board to make, vary and terminate agreements with licensed racing and trotting clubs to make totalizators used by the clubs available for off-course totalizator betting, etc. New section 31j empowers the board to conduct off-course totalizator betting on any event held in Australia or New Zealand and for that purpose to conduct an off-course totalizator or, by arrangement with a licensed racing or trotting club, as agent for that club, to make use of the totalizator used by that club for off-course betting. The section goes on to declare that the conduct of off-course totalizators and off-course totalizator betting by the board in accordance with the Act and the doing of anything incidental or ancillary thereto will be lawful.

New section 31k prohibits betting by any minor with the board and provides as the penalty for a breach of this provision 20 dollars for a first offence and a minimum of 10 dollars and a maximum of 100 dollars for a subsequent offence. The board is required to affix a copy of this provision in a conspicuous place in each office, branch or agency in which off-course totalizator betting is being conducted. The section also requires the board to pay into the hospitals fund any moneys which, but for this section, would be payable to a minor in respect of any bet made by him with the board.

New section 31ka contains provisions designed to prevent members of the public from loitering in the vicinity of any office, branch or agency of the board and to discourage persons from remaining at these places, except for the purpose of making a bet or collecting a dividend. New section 31m provides that the board must not accept a bet from any person unless the person pays for the bet in cash or has established a credit account with the board. A credit account may be established

for any amount not less than two dollars. The section also provides that no dividend in respect of any bet made with the board is to be paid on the day on which the event on which the bet is made is determined unless the person who made the bet has a credit account with the board, in which case the dividend may be credited to that credit account at any time after the dividend is declared.

New section 31n provides that the board must deduct 14 per cent of all off-course totalizator investments made with the board whether those investments are made with the board as agent for a club using a totalizator or whether the board itself is conducting an off-course totalizator. However, a distinction is drawn between the disposal of moneys invested with the board on a totalizator used by a club and moneys invested with the board on a totalizator conducted by the board itself. In the latter case the board will, after making the deduction of 14 per cent, pay the balance out by way of dividends except fractions of 5c in respect of any dividend. These fractions will be dealt with in exactly the same way as fractions derived from a totalizator conducted by a club as provided by subsections (4) and (5) of section 28 as re-enacted by clause 6. In the case of moneys invested with the board on a totalizator used by a club, however, the board will be acting as the agent of the club and those moneys will be treated as if they had been paid into that totalizator, and the board must account to the club for the same accordingly.

New section 31na deals with the calculation and payment of dividends where off-course betting is conducted on a totalizator used by a club. In such a case: (*a*) all dividends shall be calculated, declared and paid and all fractions shall be determined and dealt with as if all moneys invested with the board on events on which the totalizator is operating were invested directly on the totalizator; (*b*) the club will pay all dividends in respect of bets made directly on the totalizator; (*c*) the board will pay the same dividends as the club in respect of bets made with the board on the totalizator, and any such dividend when paid shall be deemed to have been paid by the board as agent of the club; and (*d*) the board and the club must exchange such information and make such financial adjustments out of moneys available for the payment of dividends and fractions as are necessary for the purpose of giving effect to the foregoing paragraphs.

New section 31nb empowers the board to pay any dividend to any person who, in the board's opinion, has made a valid claim thereto within six months after the day on which it became payable. Subsection (3) requires the board to pay all unclaimed dividends into the fund, and subsection (4) authorizes the Treasurer to meet late claims for dividends.

New section 31p deals with the disposal of the 14 per cent deducted by the board under new section 31n (1) (*a*). The amount deducted is to be applied, first, in payment of the stamp duty as provided in the amendment to the Stamp Duties Act made by clause 12; secondly, in payment of the board's administration and operating expenses; thirdly, in amortization of the board's establishment and capital expenses; fourthly, in payments, subject to Ministerial approval, to various bodies for the promotion of racing and trotting; and finally, in periodical payments to participating clubs. The money available for the periodical payments to participating clubs will first be divided into two parts bearing the same ratio to each other as the amount invested with the board on racing bears to the amount invested with the board on trotting events, and these parts will be distributed among racing clubs and trotting clubs on such basis as the board recommends and the Minister approves.

New section 31q imposes on the board its liability to pay stamp duty on the amount invested with the board by way of off-course totalizator betting, but this liability is subject to the rebate provided for in new section 31r. By way of explanation, it is also provided that a club will not be charged any stamp duty on amounts invested with the board on a totalizator conducted by the club. The stamp duty paid by the board will be paid into the fund and earmarked for public hospitals.

New section 31r provides that the stamp duty payable by the board shall be subject to a rebate of four twenty-firsts of the amount thereof until the Minister declares that the rebate shall cease or be reduced. The purpose of this rebate is to make available a reasonable measure of funds for capital expenditure, particularly in the early stages of the scheme, and this provision is parallel with similar provisions made in other States.

New section 31s provides for the disposal of moneys in the fund. The section earmarks all moneys in the fund (after meeting the payments to be made under section 31nb(4), and new section 44c as enacted by clause 11) for the provision, maintenance, development and improvement of public hospitals as defined in new section 31s (2). The supervisory control over appropriation of moneys to be used in this

fashion out of the fund is to be retained by Parliament as a provision is included that payments shall be subject to such appropriations for the purpose as Parliament may from time to time determine. It is intended that adequate provision be set out in the annual Estimates of Expenditure presented to Parliament.

New section 31t deals with certain offences with respect to off-course totalizator betting. The provisions of this section are self-explanatory. New section 31u empowers the board, with the approval of the Minister, to make rules (not inconsistent with the principal Act or the regulations). New section 31v empowers the Governor, on the recommendation of the Minister or the board, to make regulations.

Section 44a of the principal Act deals with the imposition of the tax on winning bets and section 44b provides, *inter alia*, that the clubs are entitled to a share of moneys derived from that tax. Clauses 9 and 10 amend those sections respectively so as to provide that, on a day to be fixed by proclamation not earlier than the commencement of off-course totalizator betting and not later than 13 months after such commencement, the tax on winning bets, so far as it is payable in respect of the punter's stake, will be eliminated and when the tax on the punter's stake is so eliminated the clubs will cease to share in the moneys derived from the winning bets tax, which will then be payable only on a punter's winnings exclusive of his stake.

Clause 11 enacts a new section 44c, which provides in effect that, before the expiration of 12 months after the elimination of the winning bets tax on the punter's stake, the Treasurer is to pay out of the fund to each club that received a share of the winning bets tax one-half of the amount it received as its share of that tax during the period of 12 months last preceding the elimination of tax from the punter's stake. After that payment the clubs will receive no further assistance from the winning bets tax.

Clause 12 amends the Stamp Duties Act so as to impose on the Totalizator Agency Board, subject to the rebate provided for in new section 31r, as enacted by clause 8, a duty of 5¼ per cent (which is the rate paid on the larger pools conducted by on-course totalizators) of the amount invested with the board by way of off-course totalizator betting on any day.

The Hon. Sir NORMAN JUDE secured the adjournment of the debate.

ABORIGINAL LANDS TRUST BILL.

Adjourned debate on second reading.

(Continued from August 25. Page 1340.)

The Hon. D. H. L. BANFIELD (Central No. 1): This Bill has had much publicity not only in this State and in Australia but also overseas. It has been before Parliament for a considerable time: it will be recalled that it was introduced in another place in May of last year. Before the Bill was introduced in another place, the Minister of Aboriginal Affairs publicly described its principles on numerous occasions and consulted widely with groups of Aboriginal people. It was debated in another place in February of this year, but time ran out, so the second reading debate in another place could not be completed before Parliament adjourned. However, the provisions of the Bill were on file, and they remained on file.

The Bill was reintroduced in another place and has been before Parliament for many months. The Minister has repeatedly stated that members requiring any information about Aborigines' land or any visits they might wish to make to their reserves would be assisted in every way possible by the officers of the Department of Aboriginal Affairs. It appeared yesterday that certain members of the Opposition received a deputation from some Aborigines and tried to hoodwink the members of the deputation by telling them that they thought it desirable that the Bill be adjourned because they were not fully aware of the details.

The PRESIDENT: Order! The honourable member must not reflect on honourable members.

The Hon. D. H. L. BANFIELD: I did not reflect on honourable members.

The PRESIDENT: Order!

The Hon. D. H. L. BANFIELD: The position is that the deputation was informed that it was desirable that the Bill should be adjourned because honourable members had not had time to study its implications. To me that is so much eye-wash and is only an attempt by members of the Opposition not to face up to their moral obligations and to delay handing back to the Aborigines that which rightly belongs to them. If honourable members were telling the truth in saying that they had not had time to study the Bill, then it would appear that they were the only ones in Australia who had not had time to study it.

The PRESIDENT: I must again call the honourable member to order. He must not reflect on the veracity of honourable members.

The Hon. D. H. L. BANFIELD: I was reflecting not on honourable members but on the fact—

The PRESIDENT: Order! I rule that you must not.

The Hon. D. H. L. BANFIELD: I bow to your ruling, Mr. President. As I said before, this Bill has received widespread publicity, and so has the proposed delaying action of the Opposition in this Council. I have reason to believe that the Leader of the Opposition has received a telegram from the Anti-Slavery Society in London. In fact, I have two telegrams that I should like to read. One is from the General Secretary of Amnersty International:

Trust that Legislative Council will pass Trust Bill for Aboriginal land without reference to Select Committee.

That is from overseas. There is another telegram here from Canon Frank Coaldrake, Chairman of the Australian Board of Missions of General Synod of the Church of England in Australia, which states:

Please advise Leader of Opposition Legislative Council that the Australian Board of Missions of General Synod of Church of England in Australia has a policy minute that all lands and resources at present in Aboriginal reserves should as a matter of national honour be the inviolable property of the Aboriginal peoples. Bill now being debated would fulfil board's hopes in South Australia and open the way for similar legislation throughout Australia. Issues already clear and Select Committee not necessary. Urge Legislative Council Opposition to acknowledge important principles in Bill and limit amendments to possible minor defects of procedure.

That backs up what I said previously, that this Bill had received widespread publicity and this was an attempt by the Opposition to delay its passage. It can be seen from what I have said that members opposite have had ample time in which to seek any information they required, and to suggest that this Bill should go before a Select Committee is only their way of again obstructing and delaying the handing back of certain rights to the Aborigines that should never, in the first place, have been taken away from them.

The same thing happened in Queensland, where the Select Committee took three years to bring in its finding. Is that what our Opposition wants to do with this Bill? It has placed no time limit on when the Select Committee's report should come back to this place. It is obstruction. It has also been suggested that this is a hybrid Bill. The facts are that this is a public incorporated trust and not a corporation of the kind mentioned in Joint Standing Orders relating to hybrid Bills. The Bulk Handling of Grain Bill passed both Houses without being referred to a Select Committee, and that legislation provided for Crown lands to be used by Bulk Handling Co-operative Ltd. It was ruled then that it was a general public measure, not dealing with a separate corporation or local body. I suggest that this Bill is a similar measure. If other members of this Council did not attempt to do their homework or seek information about this Bill, that is their affair and they should not penalize the Aboriginal people because they did not do their homework.

I took the opportunity of obtaining from the Acting Director of Aboriginal Affairs, whose minutes to the Aboriginal Affairs Board originally suggested this measure, his view and report, which I think I should read to the Council. It is as follows:

There exists today among Aborigines an ever-increasing feeling of injustice over the lack of recognition in the past of any "rights" for Aborigines pertaining to ownership of land. Although the feeling has always existed in various forms since early European settlement in this country, never before has the expressed feeling been so concentrated or united as it is now. There are many reasons for the rapidly increasing expressions of dissatisfaction over past wrongs, reasons that are being further aggravated by the fact that, while there are increasingly frank admissions of wrong practices in the past, the various Governments concerned will not implement any action that will compensate Aborigines or rectify existing situations in order to recover what may be salvaged, or even take steps to ensure that some of the past practices will not be perpetuated in the future.

Some of the reasons for the increasing dissatisfaction are:

(a) More Aborigines are reaching a standard of education whereby they can realize what has happened throughout Australia, and can compare those actions against the treatment meted out to people in other lands by other Governments.

(b) More Australians are becoming shamefaced at the thought of our international image, and/or ashamed of the past and present attitudes and treatment extended to Aborigines. These people are expressing their views strongly—vocally at meetings or by publishing articles in newspapers or by having their opinions broadcast over the radio or television. This publicity is doing more than increasing the education of the community in Aboriginal matters. It is

also awakening an increasing number of Aborigines to an awareness of circumstances that they previously accepted without question as their burden.

(*c*) The emerging demand by coloured people throughout the world for equal status and increasing acknowledgement by "white" people that equal status should exist is, without a doubt, being taken up by Aborigines who have attained sufficient education to grasp the implications. It is needless to say that many Aborigines, although only partly educated and just emerging from the narrow world of illiteracy, are eagerly joining in the clamour for justice, even if uncertain of the true causes or reasons for the clamour.

(*d*) More and more Aborigines are becoming aware of the fact that lands they thought were their own (namely, reserves and some missions) are not really theirs. Their increasing standard of education, recent events, and the spate of recent publicity regarding Aboriginal lands have made them realize the lands have been taken by the Governments, and the Governments can excise any portion or resume all of a reserve, or take many other steps that may alienate the lands to the Aborigines. This knowledge is bringing about strong senses of insecurity and injustice that will be removed only when it is established beyond doubt that the Governments do not control their land.

The question of land rights has become a status symbol to the majority of Aborigines. I am sure that all people who have taken more than just a passing interest in Aboriginal affairs are aware that in many instances this "symbol" has been taken out of context and has been expanded out of all proportion. For example, many Aborigines or persons of Aboriginal descent, who have been reared in an urban environment, when participating in discussion will become impassioned, dogmatic, and often unrealistic in their statements concerning loss of their land. I am sure that the majority of these people are not consciously claiming personal ownership or would really want to personally work on the land. They are upholding the principle that at least some land should belong to Aborigines as Aboriginal lands. Whether they are justified or not, while people are inhibited by, in many cases, overwhelming feelings of injustice, there is little chance of obtaining their co-operation and willing participation in other ventures. Many times the persons concerned when questioned cannot rationalize the sense of injustice, but will resort to repetitive assertion of unjust practices or treatment. Therefore, the logical first step to be taken by any Government that genuinely desires to take rapid strides in successfully promoting Aboriginal welfare, is to boldly take action of a nature that will show Aborigines that an attempt is being made to genuinely recognize the existence of Aboriginal land rights.

As mentioned earlier, it would be impossible to attempt to meet the individual requirements of all Aborigines. In fact, although there are many Aborigines who desire to individually own some land and are capable of economically working it, they are in a minority when compared with the total Aboriginal population. It is also significant that Aborigines who desire individual ownership in order to work the land are people who have already adopted a way of life more similar to that of the general community than that of their Aboriginal ancestors.

Any attempt at this stage to create legislation that would dictate specific lines of development based upon "white understanding of desirable land use" is doomed to failure as a principle in the minds of the Aborigines, even if the Act be proumulgated and sufficient funds be provided to transform reserves into "white" gardens of Eden. It is important that any legislation for Aboriginal land rights be sufficiently flexible to allow Aborigines as groups to develop areas where they desire, in a manner that appeals to them, irrespective of how their attitudes or actions may conflict with out preconceived ideas of what is best for them. The legislation should only provide the normal safeguards that protect the equity of the individual in a group undertaking that is controlled by a few administrators, and expect Aborigines to accept responsibilities comparable to those required from the groups with whom they choose to live.

Reserve Councils will undoubtedly play an important part in any form of lands trust. They on one hand could be the field administration for the trust, and could on the other hand be the lines of communication from the people to the trust. The choice would certainly rest with a council as to whether or when it joins the lands trust. There have been aspersions cast about the lack of existing regulations granting specific authorities to Reserve Councils which would allow them to be authoritative bodies. It is important at this stage to realize that the whole future of such councils, and the future role they could play, largely depends upon whether or not there will be a lands trust. There is always a need to encourage communal activity irrespective of the existence of a lands trust. However there are many other directions in which such activity could develop if there is not the incentive of ultimate administrative control of the area in question. To prescribe certain delegated authorities for councils before knowing whether or not the councils will be able to ultimately take over such authorities as a step towards independent administration is not unlike putting the cart before the horse.

The North West Reserve appears to be regarded as a separate problem by many speakers. There have been inferences that the Lands Trust Bill could be a means of losing this land to the Aborigines. If the land was placed under trust, loss only appears possible if the local Aborigines desire to part with it; the trust wished to dispose of it;

the Minister of Aboriginal Affairs recommended disposal; and both Houses of Parliament agreed to allow disposal of the land. At present the Aborigines do not own the land—it is Crown land, and notwithstanding the provisions of the Aboriginal Affairs Act, the Government by mere proclamation can at any time revoke any portion of the North West Reserve under some pretext of national importance or development. It has been done before in other areas. Therefore, doubts could be raised as to whether the real reason for the existing controversy might be concern at the thought of the Government losing control of the reserve rather than concern that the Aborigines may lose the area.

I think that I should reply to some of the things which have been said by honourable members in this House, which demonstrate a complete misconception of the present situation and of what has happened in the past. The Hon. Mr. DeGaris has suggested that the 1962 Aboriginal Affairs Act gave effect to Convention 107 of the International Labor Organization. It is true that that Act met some of the provisions required by Convention 107. It only did so after the Bill had been completely redrafted in Committee since the Bill as introduced by the previous Government certainly did not accord with Convention 107 and retained protection for Aborigines of full blood, a series of legal restrictions upon them, and administration not by the Minister but by a board. In fact, the 1962 Bill was rewritten by Opposition amendments to accord with a policy of having no legal restrictions upon Aboriginal people by virtue of their race. However, it certainly did not make provisions for guaranteeing to Aborigines rights as a people in their own reserve lands—as does this measure before us now.

The Hon. Mr. DeGaris has suggested that under the Aboriginal Affairs Act all that is contained in this Bill could be accomplished. That is clearly not so. If it were so, the Bill would not have been introduced. The Aboriginal Affairs Act does not provide for the handing over of existing reserve lands other than where they are available for settlement. This Bill is not designed to provide for large-scale Aboriginal land settlement but for the protection of the Aborigines of their existing lands so that they might develop them as they wish for the development of viable economies on them and for giving to them special mineral rights.

The Hon. Mr. DeGaris has suggested that special mining privileges will hamper development on the reserves. This is completely contrary to what has occurred on American reserves. Surely the Aborigines are entitled to more than the existing amount of royalties! Elsewhere indigenous people have been able to make particularly advantageous contracts for development of minerals on their reserves. I point out that this kind of money will be necessary for the development of viable economies on the tribal reserves in this State.

The Hon. Mr. Dawkins has queried the wisdom of the provision providing that each member of the trust shall be an Aboriginal or person of Aboriginal blood within the meaning of the Aboriginal Affairs Act, 1962. I wonder what the reaction would be if the constitution of his private club or lodge provided that at least a certain number of its executive members should be Aborigines? There are many well-educated Aborigines in Australia and in this State and these people will be quite capable of carrying out the duties of the trust.

Some people doubt the intelligence of the Australian Aborigines but, given the same opportunities as the white people, they will reach the educational standard of any other race. The Hon. Mr. Story, when referring to clause 10 (3), wondered whether the secretary of the trust is to be the "Big Boss" simply because no meeting can be held in his absence unless another officer of the Department of Aboriginal Affairs has been appointed by the Minister to act in his place. Surely the reason for the Director being the secretary of the trust is to provide effective liaison between the trust board and the department, whose officers will be stationed on trust lands. The secretary does not have a vote at meetings of the trust board, clearly indicating that the secretary cannot possibly be the "Big Boss".

The Hon. Mr. Story also expressed concern at the provision in clause 18 which provides that no assistance shall be granted, and no moneys shall be advanced, under this section to any member of the trust, except with the consent of the Minister, to any relative of a member of the trust. American experience has shown that this is a wise precaution and, in fact, it is a protection to the trust members. Trust members or their relatives are not debarred from assistance as long as the Minister approves of the assistance, but in many cases there are jealousies between Aboriginal people and it is vital to avoid any suggestion that members of the trust board are using the trust to their own advantage. The Hon. Mr. Story has also said that this Bill is not what we want and not what the Aboriginal people want. No doubt he has now

changed his mind about that statement following representations made to honourable members opposite over the last few days.

The Hon. Mr. Dawkins has suggested that Aborigines should not be given full rights and responsibilties as citizens at this stage, and that restrictions upon Aborigines should be lifted gradually. If the honourable member speaks to Aborigines he will well know that development is hopelessly hindered by the existence of special legal restrictions on Aborigines by virtue of their race and that we cannot expect the support and co-operation in the work which is done by the Department of Aboriginal Affairs unless they feel that they have the same rights and responsibilities as other citizens. I wonder whether the Hon. Mr. Dawkins discussed his expressed views with the Aborigines who have been in attendance in this Chamber in the last few days? If he did, there is no doubt that he would now wish that he had never expressed some of those views.

The Hon. Mr. DeGaris asked about taxation and what responsibility local government will have for road construction and other matters on lands owned by the trust. The position is that, where a reserve area becomes part of the local government area, rates will have to be paid. Where public roads are involved, the local government authority will have the same responsibility for road-making as applies elsewhere in the authority's area. The lands of the trust will be subject to land tax where it is applicable. I suggest that any further delay in the passage of the Bill will cause more difficulty and expense.

Already, the Agriculture Department has prepared a scheme of development for Point McLeay. There is no labour at Point McLeay to carry out that development and the people there are not happy about people from the tribal areas in the North being brought in to carry out the work. Recommendations have been made regarding the way in which the development work can be carried out, but the Minister has delayed a decision on this until the Bill is passed and the board can negotiate with the residents and the local reserve council. Many areas are subject to vermin infestation and soil erosion and in many cases the Minister has allowed for a leasing of these areas to non-Aborigines on condition that they carry out vermin and soil erosion control programmes. However, these leases have all been granted on a short-term basis, in anticipation of the appointment of the Aboriginal Lands Trust, which might make decisions regarding future development of these areas that will become part of the trust's lands when the board is set up.

Again, much difficulty, expense and embarrassment will be occasioned by further unnecessary delay on this measure. Moreover, the Aboriginal people will feel completely frustrated by the kind of interminable investigation that has happened as a result of the appointment of Select Committees in Queensland and New South Wales. I have already pointed out that the committee in Queensland took three years to bring down a recommendation. Ample information is available to honourable members and this Bill should become law without further delay.

The Hon. Mr. Geddes has made some extremely strange statements. What basis has he for saying that somebody is likely to say to an essentially nomadic Aboriginal, "You will not only get these lands but, if you want to go walkabout, those lands across the hills and into the distance will be also yours, just as they were many years ago." Who is going to say this and under what conditions? He has no basis at all for such an allegation. The Hon. Mr. Geddes has said that the Minister of Aboriginal Affairs has said that the principles envisaged by the 1962 Aboriginal Affairs Act are completely unjustified, and he says that the principles in the 1962 Act are the principles of assimilation. I draw his attention to the wording of that Act, which specifically talks about integration. There is nothing in the Aboriginal Affairs Act that is other than in favour of a policy of integration, and the Minister has never said that the principles of that Act are opposed to the policy of the Government. I challenge the honourable member to cite any statement by the Minister on this score. If the honourable member does not know about the policies of integration, that simply means he has not done sufficient work in our library, in visiting Aborigines and in talking to Aborigines and Aboriginal organizations to be able to have the background to make a speech on the subject in this Council.

It is important that this measure be not further delayed. The Aboriginal people are anxious to get back what was taken from them when the white people first settled in Australia. That is their just right and we are morally bound to support the Bill. I earnestly appeal to honourable members opposite to take notice of what they were told yesterday by the people who waited upon them. I earnestly appeal to those honourable members to pass the Bill without delay.

The Hon. G. J. GILFILLAN (Northern): I rise to speak to this Bill with some concern because of the events of the last few days. Reflections have been cast, in the press and elsewhere, on members of this Council and on the democratic processes of our Parliamentary system. Reflections that have no foundation have been cast on the intentions of members of this Chamber. These are purely assumptions, because the intentions of individual members are known only to the members themselves. We should all show concern about a Bill of this nature, which is important to our Aboriginal people and affects their rights and privileges. It should receive all the consideration that our Parliamentary processes allow. We should also be concerned because this issue has tended to become a political one instead of being one for debate in the proper atmosphere.

The Hon. D. H. L. Banfield: That is what we are complaining about.

The Hon. G. F. GILFILLAN: I should like to compliment the many members who have made constructive speeches on the Bill. They have conducted much research into the problems that face the State in trying to put right some of the things that have occurred regarding the treatment of our Aboriginal people. However, we must keep our feet on the ground when considering such questions as this. It is easy to make an emotional speech, and we must get back to the facts contained in the Bill itself. This measure has nothing to do with the administration of Aboriginal affairs, which is covered by the Aboriginal Affairs Act of 1962.

The Bill before us deals solely with a trust in which the Aboriginal lands are to be vested. The trust is to consist of three members appointed by the Government, including a chairman. Much has been said in an emotional way about the transition, but it seems to me that the Aboriginal people will be exchanging one authority for another: they will be exchanging the authority of the State as administered by the Government for the authority of a trust that will be under the control of the Government. The Bill also provides that representatives of the reserve councils may be appointed to the trust: it does not provide that they shall be appointed.

At present, these councils have no standing. They are purely unofficial and it seems to me that any regulation to give effect to the standing of the councils could, perhaps, conflict with the provisions of the Aboriginal Affairs Act that specifically vest the administration of the affairs of the Aboriginal people in the department under the control of the Minister. I shall now refer to some of the press statements that give me cause for concern, the first of which was on August 29 and was as follows:

Mr. Dunstan described the notice of motion in the Legislative Council that the Bill should be referred to a Select Committee as a polite way of trying to block the Bill.

This is a completely misleading misrepresentation of the facts, because neither Mr. Dunstan nor anyone else would be able to say with authority that this was so. In common with my colleagues, I believe that the move for a Select Committee was made with the best of intentions because the rights and privileges of the Aboriginal people were concerned. We believe that it should be given every consideration as a protection to these people. No member of this Chamber has spoken against the Bill. In the *Advertiser* of August 30 appeared the following report:

If Liberal and Country League members of the Legislative Council failed to do their homework, why should the Aboriginal people suffer, the Minister of Aboriginal Affairs (Mr. Dunstan) asked in a broadcast last night. "This move is clearly designed to defeat the measure," Mr. Dunstan said. "There is no information on the administration of reserve lands or their development which is not already freely available to members. There has been ample opportunity for members to visit reserves, to speak to Aborigines and discuss the measure with officers of the Aboriginal Affairs Department." The Bill had been on the Parliamentary notice paper for many months last session and during the current session, he said.

Again, we have statements that are purely supposition. For a start, the accusation that members of this House have not done their homework is rather unjust, if members remember the contribution made by other speakers.

The Hon. R. C. DeGaris: The Hon. Mr. Banfield did the same thing, of course.

The Hon. G. J. GILFILLAN: Yes. Someone else has done the homework in his case.

The Hon. Sir Norman Jude: He reads very well!

The Hon. G. J. GILFILLAN: Members on this side have not only done their homework but have visited these reserves. Although they have done all these things, unlike the previous speaker I do not think they claim to be experts on all facets of the problem. People who have had a lifetime of experience in Aboriginal affairs cannot agree on certain points. I believe that the honourable members in this

Chamber are merely showing common sense and a desire to act in the best interests of the Aboriginal people by seeking to have a Select Committee set up so that Aboriginal people and others can give expert evidence and so that a wide range of expert opinion can be obtained. When the Bill is finally passed and becomes law it will be beyond the right of the average member of Parliament to do anything to correct any anomaly, because we are dealing not with an administrative detail here but with a Bill that will become the law of the State.

The Hon. D. H. L. Banfield: Doesn't that apply to all Bills?

The Hon. G. J. GILFILLAN: It does, but this Bill concerns the rights and privileges of a section of our community.

The Hon. D. H. L. Banfield: All Bills do that.

The Hon. G. J. GILFILLAN: If this Bill had been introduced by the previous Government, I think a Select Committee would automatically have been set up.

The Hon. D. H. L. Banfield: You did not do that with the bulk handling Bill, which was a similar Bill.

The Hon. G. J. GILFILLAN: I do not see any similarity between that and this Bill.

The Hon. D. H. L. Banfield: Both Bills deal with Crown lands.

The Hon. G. J. GILFILLAN: I am not aware of how much knowledge the honourable member has of the bulk handling of wheat—whether it is as extensive as is his knowledge of Aboriginal affairs.

The Hon. M. B. Dawkins: That may not be very extensive, either!

The Hon. D. H. L. Banfield: That may apply to all members!

The PRESIDENT: Order!

The Hon. G. J. GILFILLAN: The only way in which Crown lands are involved in bulk handling is that silos are erected on railway property and at terminal ports, both of which are under the direct control of the Government.

The Hon. D. H. L. Banfield: Of the Crown.

The Hon. G. J. GILFILLAN: If the honourable member wishes. However, the bulk handling legislation does not deal with the rights of a section of the community to the same extent as this Bill deals with reserves, so I do not think it fair to compare the bulk handling of wheat with the problems of the Aboriginal people.

The Hon. R. C. DeGaris: This is still a hybrid Bill as far as this Chamber is concerned.

The Hon. G. J. GILFILLAN: Exactly. The statement that this move is clearly designed to defeat the measure is pure supposition, and I am sure it has no basis in fact. Mr. Dunstan is also quoted in today's *News* as having said:

> The delay in the passage of this Bill is already holding up departmental progress for people on Aboriginal reserves.

This, again, is a misleading statement, as the Aboriginal Affairs Department has full authority to go ahead with any development that may be required in reserves.

The Hon. S. C. Bevan: Not in relation to this Bill.

The Hon. G. J. GILFILLAN: This Bill is a lands trust Bill: it has nothing to do with development work under the control of the department. It is unfair to suggest that this Chamber is delaying this Bill, as the history of this Council during this present Parliament is that, although it has defeated and amended Bills, I do not think it can fairly be said that it has deliberately obstructed the passage of any Bill. It is unfair to say this also because this Bill has been in this Chamber for only three weeks whereas it was in the other place, which is under the control of the Government, for 12 months. I do not see how this Chamber can be accused of being other than constructive in its attitude towards the problems associated with these reserves.

I do not wish to deal with the Bill in detail. I have already mentioned the composition of the trust. Many emotional speeches have been made in support of the Bill, but when we get down to what it will achieve we find it is rather a different thing. It still gives the Aborigines only a very limited control over their affairs on these reserves and over what is done with the land. As a practical application to benefit the Aboriginal people, it leaves much to be desired. In view of all these things, I think it should be given the fullest consideration of our Parliamentary processes.

The history of this State and the Aboriginal people, unfortunately, contains many tragedies, many of which have been caused by people who have acted with the best of intentions. I am not reflecting on the goodwill and the intention behind this Bill, but I cannot understand the objection to the thorough inquiry into the applications of the measure and the effects it will have on these people. I am sure that all honourable members of this Council do not want to see this Bill unduly delayed; they want to see the rights

and privileges of the Aborigines protected through our full Parliamentary processes. If this Bill will do what it is hoped it will do, I cannot understand why those concerned with its passage through this Council do not welcome an inquiry to make sure that the rights of the Aboriginal people are protected as much as possible. I support the second reading.

The Hon. Sir ARTHUR RYMILL (Central No. 2): I agree with much of the substance of the remarks of the honourable member who has just resumed his seat. Undoubtedly, a great deal of misunderstanding has been engendered in the minds of the public over this Bill, and I regret to say that, in my opinion, a large proportion of it appears to have been inspired. I regret, too, that the Aborigines have apparently been used for political purposes. I say, in justice to the Attorney-General, that he undoubtedly is and has been a really good friend of the Aborigines but I think it is a pity that he should spoil this by the very questionable standover tactics he has adopted over this measure and towards this section of the Parliament. It seems clear to me that he has incited the Aborigines to take action that could have resulted in breaches of the peace. I make it clear that I am not suggesting for a second that he incited any breach of the peace, but what he did incite could have so resulted, in my opinion. Fortunately, however, the Aborigines themselves seem to have behaved in a more level-headed way than the Attorney-General appears to have over this matter. One of the main misunderstandings with which—

The PRESIDENT: I must point out to the honourable member that he must not reflect upon a member of the other place.

The Hon. Sir ARTHUR RYMILL: I bow to your ruling, Mr. President, but an honourable member in another place has made certain comments about us here and I think that, if he is entitled to do that, I am entitled to refer to him, but I bow to your ruling. In yesterday's newspaper (and I think I am permitted to refer to this, because things that I am criticizing are in the press) the Attorney-General said, referring to the suggested appointment or a motion for the appointment of a Select Committee, "This move is clearly designed to defeat the measure." If that is not a criticism of this Council, I do not know what is. Surely the Attorney-General knows better than that. He is not an ignoramus. The Hon. Mr. Gilfillan has referred to this as pure supposition: in my opinion, it is more than that but I must accept your ruling, Mr. President, so I cannot say what I was proposing to say. In yesterday's paper the Attorney-General also said:

> There has been ample opportunity for members to visit reserves, to speak to Aborigines and discuss the measure with officers of the Aboriginal Affairs Department.

I know there are one or two members of Parliament who think that they can go and look at some place for a couple of days and know all about it. I know there are even one or two who think they can spend half an hour in the library and know all about a subject. This does not apply to me, because I know my limitations and I like to gain my knowledge in the regular and proper ways.

I have known the Aboriginal races ever since I was a child; in fact, I knew the Aborigines long before the Attorney-General ever came to this country. I have not been as close to them as he has but I may have seen more of their tribal ways than he has because, of course, there was much more of that in my youth many years ago. This is why I want to know as much as I can about this subject and get the best information I can from those who know, those who claim they know and those who think they know, and it is clear that the way to do this is to appoint a Select Committee, which will not only ask people to come along who, it considers, know about the matter but also advertise for people to come along, and then any interested party will be able to appear before the committee. I hope the Aborigines themselves, assuming a Select Committee is appointed, will give evidence. I think they will. I hope that people from the Department of Aboriginal Affairs will give evidence. No doubt, the Parliamentary Draftsman will give evidence about the implications of certain clauses of the Bill, because some of them are by no means clear to me, although I have examined them carefully. Then we shall be able to analyse the Bill in the light of some real knowledge of the subject.

I support what appears to be the general intention of the Bill but I am not certain, from discussions I have had, whether the Bill is really what the Aborigines themselves want. I had a very interesting interview yesterday wih nine Aborigines, and what they said tended to support my view on this matter. I will not say it did. I should like to know more about this and I am sure I shall get to know more about it. I want now to refer to a newspaper report in this morning's *Advertiser*.

I am not claiming that the report was incorrect but an inference could have been drawn from the report that only three members of this Council yesterday saw the Aborigines who waited on us. I have asked other people, and that was their interpretation of the report, too. The report did not say this but it referred to only three members, and the implication was certainly there that they were the only ones who saw the Aborigines. In this afternoon's *News* there seems also to be some confusion, because we read on page 3:

The deputation—

that is, the Aboriginal deputation—

waited vainly for four hours yesterday afternoon to see Liberal M.L.C.'s . . . Meanwhile, the party of 24 Aborigines . . . will continue to seek meetings with Liberal M.L.C.'s today.

On another page, however, we see a conflicting report:

"Members who met deputations were Messrs. Octoman, Gilfillan, and Geddes, from the Northern District, Sir Norman Jude, DeGaris, and Kemp (Southern), Mrs. Cooper, Sir Arthur Rymill, and Mr. Hill (Central No. 2). and Messrs. Story, Dawkins, and Hart (Midland)", Mr. DeGaris said.

I cannot line this up with what is said on page 3 of the newspaper, where it is stated that they "waited vainly for four hours yesterday afternoon to see Liberal M.L.C.'s". I should like to clear this up entirely in case a wrong interpretation is made of this report. Every available L.C.L. member of this Chamber saw (and I think separately) various fairly extensive deputations from Aborigines yesterday; the only exceptions were, I suppose, you, Sir, because you were in the Chair (and I do not think that they asked to see you, anyway) and the Hon. Sir Lyell McEwin, whose place was in this Chamber yesterday as Leader of the Opposition, but he saw them today. I believe two other members of the Council were out of the State but, as I have said, all other available members were seen by these people.

The Hon. C. M. Hill: The Hon. Mr. Potter was out of the State.

The Hon. Sir ARTHUR RYMILL: Yes, and of course the Hon. Mr. Rowe is overseas.

The Hon. L. R. Hart: Did members of the Labor Party see them?

The Hon. Sir ARTHUR RYMILL: I was coming to that; this seems to be part of the propaganda, because the only people they did not ask to see were members of the Labor Party. Indeed, it appeared in the press that they were not going to see the members of that Party, but for what reason I do not know.

The Hon. A. J. Shard: You would have a pretty good idea, though!

The Hon. Sir ARTHUR RYMILL: It may be it was because of certain pledges given, or it may be that they relied on this iron discipline that we hear so much about.

The Hon. D. H. L. Banfield: On their better judgement.

The Hon. Sir ARTHUR RYMILL: In that case, I hope they have placed their faith in the right quarter, if this is what they are relying on. As I have said, I believe this to be part of the propaganda, that they did not approach members of the Labor Party. In other words, the whole tenor of the propaganda has been to suggest that members of the Liberal Party in this place are against the Aborigines, which, of course, is utterly untrue.

The Hon. L. R. Hart: Hear, hear!

The Hon. Sir ARTHUR RYMILL: I have known what has gone on for many years, and any decent people of European stock have always done their best within their lights to further the cause of the Aborigines. I am not suggesting that they always adopted the best method of doing so, but that has been the position. I should like to revert to the deputation. I found it very interesting and very informative; in addition, I found the members very nice people indeed, as we all know the Aborigines are. That type of Aboriginal (and they are not all of the same type, as they said yesterday) is a shining example of their potentiality if the situation is properly handled.

I know there are still some tribal Aborigines and I know of great problems in educating the young while still retaining the parental influence, but yesterday's deputation considered that such problems could be overcome. I believe it has been suggested that it may be better if the children were taken from their parents when young; that may be so in the interests of pure education, but it would be an uncivilized thing to do and very improper, particularly if the parents did not consent. However, these difficulties exist and I think we shall know infinitely more about what is the best solution available if we can collect the necessary evidence from a Select Committee.

I mentioned good intentions and efforts made in the past. I know a number of pastoralist families who, a hundred years or more ago, and since then, ordered that the Aborigines on their stations should have everything they asked for in the way of food and clothing.

The gesture was well-intended, but it did not always result in good or in the welfare of the Aborigines because some of them became less self-sufficient and more reliant on the owners of the property. I have a good deal more to say on this subject and I want to examine the Bill in more detail, particularly the clauses dealing with the appointment of the Director as secretary, the one relating to officers of the department, and that relating to the mineral rights, which seems difficult to understand and could conceivably, if mineral rights were granted, result in something which I have some doubts about. Perhaps this clause could be improved. With that in view, I ask leave to conclude my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT.

At 5.51 p.m. the Council adjourned until Tuesday, September 13, at 2.15 p.m.