LEGISLATIVE COUNCIL

Wednesday, October 5, 1966.

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

QUESTION

THEVENARD SINKING.

The Hon. R. A. GEDDES: I wish to ask a question of the Minister representing the Minister of Marine concerning the sinking of the *Eleni K* in Thevenard harbour last week. Will this restrict the entry of oversea ships into the harbour?

The Hon. A. F. KNEEBONE: I cannot answer that question, but I will convey it to my colleague, the Minister of Marine, and bring an answer back as soon as it is available.

MINISTERIAL STATEMENT: PRESS ARTICLES.

The Hon. S. C. BEVAN (Minister of Roads): I seek leave to make a Ministerial statement following the publication of an article in this morning's *Advertiser*.

Leave granted.

The Hon. S. C. BEVAN: I am voicing a protest against an article appearing in this morning's press following a report from the Highways Department tabled in this Chamber yesterday. The article is printed under what I would call banner headlines "Warning on Road Funds". It appears to me that a campaign is being waged by the press against the administration of the present Labor Government. This is not the first occasion when we have seen publications similar to the one I have mentioned. The campaign is proceeding not only in the press but also over the air and on television. I make it clear that I am not levelling criticism against the press reporters in this Chamber. I am blaming the editors of the newspapers, and I am sure that at the moment there is a campaign directed against the present Government. I believe it is for one purpose: to sow the wrong idea in the minds of the general public. Quoting passages out of context (and this is what happened in the article appearing this morning) gives the impression that expenditure on roads and bridges was subjected to savage cuts for this financial year. Let us examine that, with your concurrence, Mr. President. I should like to cite one or two passages from the report of the Highways Department that was tabled yesterday. It is a rather voluminous report and I have no intention of citing it extensively. It is a valuable document and it would be to the advantage of honourable members to examine it if they have not yet had an opportunity to do so. Undoubtedly, the passage to which that refers is contained on page 5 of the report. The report says that the required finance to meet the State needs for 1966-67 is $36,000,000, of which $33,000,000 is available. I desire to refer to the activities of the Highways Department over the last financial year to show what has actually occurred. I quote the following from page 3 of the report:

Major road projects have progressed in accordance with the scheduled programme. Target dates for the completion of the sealing of the Eyre Highway and the Broken Hill Road by 1968 should be attained. In addition, the reconstruction of the main South Road to a four-lane divided highway, between Darlington and Noarlunga, is progressing and should be completed by 1968.

Again, the report says:

Existing main road facilities were maintained by resealing 204 miles and reconstructing 98 miles of existing bitumen roads. In addition, construction of 353 miles of new bituminous main and district roads was completed, including 157 miles which were constructed through councils to departmental standards and financed mainly by the department.

I desire to emphasize the next passage that I shall cite. This is where the difference between the $33,000,000 and the $36,000,000 comes in. The report says:

The department has prepared a continuous five-year advance construction programme based on the road needs of the State.

The Hon. R. C. DeGaris: What page is this on?

The Hon. S. C. BEVAN: Page 5. The report goes on:

This programme envisages the following road works: 1,550 miles of Class (*a*) construction, estimated to cost $32.5 millions; 450 miles of Class (*b*) construction, estimated to cost $12.7 millions; 70 miles of Class (*c*) construction, estimated to cost $2.9 millions.

At the bottom of page 4 and the top of page 5 an explanation is given of (*a*), (*b*) and (*c*) class construction. This deals with the planning of the Highways Department. The fact is that the expenditure will increase from $30,000,000 in 1965-66 to a record of about $33,500,000 in this financial year. Furthermore, the expenditure for 1965-66 itself was a record and represented a substantial increase over expenditure for 1964-65, which was $26,800,000, and the $27,700,000 for 1963-64.

The Hon. F. J. POTTER (Central No. 2) moved:

That this Order of the Day be discharged.

Order of the Day discharged.

GRAIN RATES REGULATION.

The Hon. L. R. HART (Midland): On behalf of the Hon. C. R. Story I move:

That the regulation amending By-law No. 262 in respect of grain rates, made under the South Australian Railways Commissioner's Act on August 18, 1966, and laid on the table of this Council on August 23, 1966, be disallowed.

Most people associated with primary industry in this State, and, in fact, most people who have any concern for the welfare of the industry in South Australia, were alarmed when they read a report in the *Advertiser* on August 19 stating that Executive Council had approved the railways regulation to increase freight charges on grain. These charges were to be increased not on a flat rate but rather on a sliding scale and, if I may say so, on a very steep sliding scale. There may be good reasons why the increase should not have been made on a flat rate, but I believe that the scale on which they were made is far too steep. For the benefit of honourable members, I will give the scale and the extent to which it increases rates. The sliding scale will work on the basis that up to 70 miles the increase will range up to 6 per cent; from 71 to 100 miles up to 18 per cent; from 101 to 150 miles up to 28 per cent; from 151 to 170 miles up to 33 per cent; and for 171 miles and over there will be a flat rate increase of 33⅓ per cent. This means that people who live in the fringe areas, on the outskirts of the areas served by railways in South Australia, will have to bear a very high increase in freight costs. The return to the railways from the increases stated in this regulation will be about $630,000—that is, if it is based on the 1964-65 harvest, which was a harvest of 52,800,000 bushels. This was a near-record harvest. An average harvest over a 10-year period would be about 32,300,000 bushels. The prospects for the coming harvest are particularly good; in fact, it could well be a record, in which case the amount of $630,000 budgeted for could easily eventuate.

The Hon. R. A. Geddes: But not necessarily in the marginal areas of the State.

The Hon. L. R. HART: Despite what I have said, the marginal areas are going through a lean time with a severe drought. It is particularly severe in the Murray Mallee and I have correspondence from constituents in that area which states that the lack of rain at this time of the year is almost a record. The steep increases in freight rates will affect these people who at present are going through a severe economic crisis in relation to the production of grain. It is interesting to note that the Railways Commissioner (or the Deputy Commissioner) stated that when this regulation was brought in no outside organization was consulted. That means no producer organization was consulted regarding the effect the increase would have on the grain industry. The increases were brought in without giving any recognition to the effect they would have on the industry.

The Hon. M. B. Dawkins: There was no consideration at all.

The Hon. L. R. HART: That is so. That should not have been so, and some investigation should have been made into the effect of this regulation on the industry, and particularly its effect on the people in the areas suffering from a severe drought. People in those areas, and on the long hauls where the high incidence of the increase will be felt, over the years have had to fight against many adverse elements—elements of drought, in particular, and the element of lack of amenities in the areas. The people who farm those areas should be given every encouragement; in fact, they should be given an incentive to develop them.

That aspect has not been considered at all by the present Government in adopting this regulation. These people have gone to those areas and they have been progressive and venturesome. They have applied modern techniques, thus increasing the fertility of the soil, and have overcome great disadvantages. They have built up the pastures, and in many cases have virtually turned sand into soil. The effect of these steep increases will be that these people can no longer economically carry on grain production and will be forced into some alternative form of production, probably grazing. They have no way of passing on their costs; in fact, at present they are absorbing the increasing costs of other industries and are not in a position to absorb the increased costs caused by this regulation.

If the graingrowing people in these areas are forced into alternative production, obviously that production will have to be grazing, but with grazing less labour will be employed, because labour is a costly item. Less machinery will be purchased, and this will have an adverse effect on employment, as well as on export earnings. Because of the increased rates, these people will have to give careful consideration to the problem of whether they will carry on

Each year more money is available in the Highways Fund and each year more money is being spent on roads and bridges and the construction of new highways in the State. More money is being made available to district councils for the carrying out of work on district roads, principally paid for by the Highways Department itself, than has been made available in any previous year. The expenditure last year was a record, and expenditure this year has been increased further to over $33,000,000.

The Hon. Sir Lyell McEwin: And record revenue, too.

The Hon. S. C. BEVAN: I agree that the sum made available to the Highways Fund is from State taxation. When motor registrations and drivers' licences are increased, the revenue of the Highways Department is likewise increased, but the money is being well administered and spent. The report further points out that the substantial increase in the expenditure on road works from State sources resulted in South Australia's qualifying for the full Commonwealth matching grant without requiring an allocation of Loan funds. The further substantial increase this financial year ensures the continuance of full matching grants from the Commonwealth. This is the first occasion in history when it has not been necessary to have recourse to Loan funds to meet the matching grant made available by the Commonwealth. The purport of the action taken in this State is to enable more Loan funds to be available for other things. If we are in such a precarious position as the *Advertiser* leads us to believe, we must be hard up against it, but that is not factual by any stretch of the imagination. As the Minister under whose administration the Highways Department and the Highways Fund are placed, I take strong exception to the report in this morning's newspaper, which was for the purpose of misleading the general public into thinking that the State is in such a position that, because funds are not available, all its main roads will deteriorate to such an extent that they will be unsafe for motor vehicles to use. This is in the minds of the general public, but it is contrary to fact.

The Hon. R. C. DeGaris: Does the *Advertiser* say that the roads will be unsafe?

The Hon. S. C. BEVAN: Not exactly, but it says that, if we do not maintain our activities in relation to roads, they can reach a position where they will be unsafe and liable to cause accidents. I do not subscribe to the opinion that we are reaching that stage: the opposite is the position. More money is made available and spent each year on our highways. The *Advertiser* suggests that, if $36,000,000 instead of $33,500,000 is not made available to the Highways Department, things will be in a precarious position. If $36,000,000 had been provided, the Government would have had to increase motor taxation to obtain more revenue, and that could not by any stretch of the imagination be said to be warranted. I am taking this opportunity to voice my protest against the attitude of the press in publishing statements such at this.

QUESTIONS RESUMED

HIGHWAYS EXPENDITURE.

The Hon. Sir LYELL McEWIN: Does the Minister of Roads suggest in his extravagent statement about a press article that the fact that moneys are being called back—

The PRESIDENT: I do not think the honourable member can debate a personal statement. He can ask a question.

The Hon. Sir LYELL McEWIN: I am asking a question as a result of that Ministerial statement, Mr President. Does the Minister of Roads suggest that, when money is taken out of the Highways Fund to pay back moneys that were made available to that department some years ago and a transfer for bridge construction, the money to replace that previously made available from another source, any programme of the Highways Department can be maintained at the standard at which it was meant to be maintained by the full amount of money subscribed through motor taxation?

The Hon. S. C. BEVAN: The answer to that is that any Loan moneys made available in previous years to the Highways Fund and being paid back by that fund to the Treasury in this financial year will not affect the Highways Department's programme. I say "will not affect" the programme, but it could perhaps delay a project that could be planned. However, as I have stated, the amount of money made available to the Highways Department in this financial year for road works will not materially affect our highways reconstruction programme this year.

MITCHAM BY-LAW: ZONING.

Order of the Day, Private Business, No. 2: The Hon. F. J. Potter to move:

That By-Law No. 13 of the Corporation of the City of Mitcham in respect of zoning, made on October 4, 1965, and laid on the table of this Council on March 1, 1966, be disallowed.

grain production. At present they are working at a distinct disadvantage because they live in the area of long hauls. Farmers in other parts of the State enjoy an advantage. South Australia is in a peculiar position compared with other States, because we have a number of deepsea ports from which exports are made. People in areas surrounding those ports have an advantage compared with people in areas where long hauls are necessary. It is the latter group that will be forced to pay the increased costs, and no doubt those increased costs will affect the cost of living.

The home consumption price of wheat is based on a formula worked out on an index that considers the cost of production of wheat. If these increased freight charges increase the cost of production, undoubtedly the cost of living in South Australia will increase.

The Hon. A. F. Kneebone: The home consumption price is based on production over the whole of Australia.

The Hon. L. R. HART: That is so, but even if the increased rates affect only a segment of the State (and it will be a fairly large segment) it will result in increased costs, which will increase the home consumption price all over Australia. It may not be a steep increase, but it will tend to increase the cost of living.

The Hon. A. F. Kneebone: Our freight charges are lower than those of other States.

The Hon. L. R. HART: In many instances that is so, but I will refer to that later. The position in other States is different because production there is in fertile country in the hinterland. Most of the country in South Australia in the long haul areas is what may be termed the fringe and dry country, and that country has enough disabilities without being loaded with the extra costs caused by the regulation. I have before me letters from constituents pointing out the disabilities under which they work and the further disabilities that will be imposed on them if they are expected to absorb the increased costs.

The Hon. A. J. Shard: What portion of the State in your constituency is affected by these regulations?

The Hon. L. R. HART: The Murray Mallee is one area, and a considerable quantity of wheat comes from it.

The Hon. A. J. Shard: I thought some of the Murray Mallee was in the Northern District.

The Hon. L. R. HART: The Chief Secretary's geography is apparently not good. The District of Ridley is in the Midland District and takes in much of the Murray Mallee. In fact, it takes in all of the dry portion of that area, the portion that has enough disabilities without being further loaded. Eyre Peninsula is another area that is concerned with long hauls. I have an example before me, worked out on the effect that this regulation will have in regard to Kimba. I cite Kimba because the Minister himself gave an answer regarding that district recently. I assume those figures were probably checked and were correct. The increase in the freight rates in that district will be 3.47c a bushel and I have worked out what this will cost the average farmer, not the big farmer. I think my honourable friends from Northern District will say that this man is not a farmer but a cocky. A man with 400 acres under wheat (and that would not be a big farm) yielding eight bags to the acre will be required to pay increased freight costs of at least $314 a year. If one says that quickly, it does not sound much, but it is $6 a week.

The Hon. M. B. Dawkins: On top of everything else.

The Hon. L. R. HART: Yes. In that district alone, the increased freight costs, not the total freight costs, will be $40,000 a year. The Commonwealth Government has given a superphosphate subsidy in order to encourage people to increase production, and this has been an advantage. However, what is the use of encouraging people and giving them these incentives in one direction if they are taken away in another?

I suggest that the Government reconsider the increased freight rates and look realistically at their effect on the State. This industry is important not only to the State but also to the Commonwealth, because it is an export industry. If people are forced out of wheat into grazing, the Railways Department will be carting not so many thousand bags of wheat each year, but a few bales of wool. I suggest that the amounts of wool carted will not compensate for the loss in the cartage of grain. It is quite possible that some of these people will divert from wheat production to wool production because of their present difficulties. Many of them are fighting a losing battle against skeleton weed and this, together with increased costs, will drive them into an alternative industry. If they go to grazing, their wheat production will be lost.

I ask the Government to introduce realistic increases that the industry can absorb. The proposed average increase of about 20 per

cent is a fairly steep jump for any industry to have to absorb. One of my constituents said in a letter to me that the farmers realized they would have to pay some increase, but considered that the increase should be realistic. They would be prepared to meet an increase of 10 per cent. The State would be up in arms if rail freight rates affecting other industries were increased by 20 per cent.

The main effect will be on long haulages, for which a reduction should be made. Figures show that, if the increase for haulage over 135 miles or more is reduced to a flat 25 per cent, instead of being as high as 30 per cent or 33⅓ per cent, the cost to the Government will be only about $24,000. This would afford relief to the people concerned with long distance haulage and would not cost the Government much money. I ask the Government to examine this matter again and to consider the effect those steep increases will have on the section of the community least able to bear them.

The Hon. G. J. GILFILLAN (Northern): I support the motion for the disallowance of the regulation and agree with many of the points made by the Hon. Mr. Hart. It is not my intention or that of this Council to try to interfere unduly with the domestic revenue problems of the Government.

The Hon. A. J. Shard: You are not doing a bad job to date. You have a go at every one in some form or another.

The Hon. G. J. GILFILLAN: I question the accuracy of that statement. I, like the Hon. Mr. Hart, am not questioning the Government's rights in this matter. This Council has no power to amend the regulation. It can merely bring to the notice of the Government the steep impost that industry will be required to absorb as a result of the increases by a disallowance of the regulation.

The formula that has been adopted in the fixing of these rates is most unusual, in that the increases by small percentages are on the short hauls and that as the hauls get longer the percentage increases. It is admitted that, in the fixing of freight rates, some concession is given to long distance haulage on a mileage basis, but this is an accepted principle of haulage by rail, road, or any other means, because much of the cost of transport results from the loss of time and the turn around of vehicles or rolling stock at each end. The amount involved in carting goods over the longer distances is rather less on a mileage basis than it is over a whole journey when loss of time and loss of use of rolling stock are considered. Therefore, this principle of a lower cost a mile for long hauls is well established.

However, in this instance, the Government has departed from the usual custom and has increased the percentage on the long hauls. Even if these freight costs compare favourably with those operating in other States, these increases are still steep. The Government is in serious financial difficulty about meeting a comparatively small increase in overall costs, yet such a regulation as this imposes an increase of up to 33 per cent on a major income-producing item of primary production. It is the ability of any industry to absorb percentage increases in costs of this nature that we have to take into consideration. As the Hon. Mr. Hart has said, it is a penalty on the growers who are a long distance from the ports.

The proposed increase is a blow to any plans or programme for decentralization. For any Government that claims to support decentralization, it is a completely retrograde step to increase these rates substantially. It is easy to understand that the Government is reluctant to increase the rates on short hauls because of the competition of road transport. I believe that is the major reason why these rates are not increased as substantially as are the rates on long hauls. Obviously it is more difficult for the farmer to cart his grain a distance of 150 miles to a terminal silo than it is for a farmer who lives only 40 or 50 miles from a terminal. In increasing these charges so substantially, the Government is running a grave risk of getting more competition from road transport.

In estimating an increase in revenue of $637,000, the Government has allowed for a 2½ per cent wastage to road transport, but I believe it will be substantially more than that. The real cost that has to be looked at in assessing different forms of transport is the actual cost of transport from farm to terminal silo. Naturally, the cost from farm to the nearest silo is substantially high on a mileage basis, because loading time and waiting time have to be considered, but the cost of carrying it an extra 50 or 100 miles is considerably less per mile. The Government must consider not the cost from silo to port but the real and actual cost from the paddock to the terminal silo. I consider that this increase will lead to a larger quantity of wheat being carried by road transport to terminal silos.

If anyone doubts that this freight can be handled by road transport, he has only to remember that every grain of wheat grown in this State is carried by road transport at some stage. When a ship has to be loaded, road transport is frequently called in to assist the railways to handle large quantities of grain quickly. The Government will have to consider what effect road transport will have on rail freights and whether the 2½ per cent allowance for wastage is adequate. I believe it is completely inadequate, as a great quantity of grain could be taken by road transport to the terminal ports. In the area where I live, grain is carted 50 miles or more regularly, and other silos on the way are bypassed. Another point that the Government in its own defence should investigate closely is that these rates apply to superphosphate as well.

The Hon. A. F. Kneebone: This regulation applies only to grain.

The Hon. G. J. GILFILLAN: I may be mistaken, but I understand that it applies also to superphosphate. On the front page grain only is mentioned, but Mr. Fitch, the Railways Commissioner, referred to a submission in March, 1966, concerning the possibility of increasing the freight rates on grain and manures.

The Hon. A. F. Kneebone: It applies only to grain.

The Hon. G. J. GILFILLAN: Manures are mentioned throughout the evidence. This is something that should be checked. If it applies to manures, it may have a substantial effect on the quantity of superphosphate carted by the railways. The average mileage to the five terminal points is very much lower than the mileage that superphosphate has to be carted, as it is manufactured at Port Adelaide, Wallaroo and Port Lincoln. In many districts grain has to be hauled only 50 miles, but superphosphate has to be hauled for up to 150 miles to the same districts. Road transport is now competing more than favourably with rail transport for carting superphosphate from works to farms in these areas. I stress "from works to farms", because this is the full cost upon which comparisons should be made.

I believe the Hon. Mr. Hart has covered this subject very well. A large part of the Northern District is affected by this regulation, including much of Eyre Peninsula and the Frome District. All the areas are affected, but the long haulage areas are affected particularly. I do not wish to interfere unduly with the domestic affairs of the Government in relation to charges, but I think this matter should be examined again with the idea of giving some relief to those who are unfortunate enough to have to haul over long distances. As we have ascertained, the cost will be small, but it will mean much to the people concerned and the districts in which they live. I support the motion.

The Hon. M. B. DAWKINS secured the adjournment of the debate.

STATE LOTTERIES BILL.

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

APPROPRIATION BILL (No. 2).

Adjourned debate on second reading.

(Continued from October 4. Page 1974.)

The Hon. Sir NORMAN JUDE (Southern): I have rarely risen on an occasion such as this, the consideration of the Estimates, with a greater sense of despondency, almost complete frustration, and, I may say, with more sense of sympathy for a colleague. I notice that the appropriation for the full year is over $191,000,000, but on this occasion it is my intention to address myself only to the Budget implications insofar as they affect the Highways Department.

I shall first refer to page 1943 of *Hansard*, the Chief Secretary's second reading explanation, from which I shall quote and, to save boring honourable members unduly, I shall quote only short sentences from it, unless there is a danger of their being taken out of context. Almost in the opening paragraph, under general remarks, we see:

The Government has therefore proposed a number of revenue-raising measures designed to keep the deficit within manageable limits.

Let us look at these so-called "revenue-raising measures". The total capital Loan liability of the Highways Department up to 1965 was some $9,500,000. In 1952-53 the Government of the day, finding a temporary surplus of funds, transferred some $1,250,000 to the department, to which a few months later the Grants Commission took exception. However, shortly afterwards, the Playford Government introduced a Bill committing the department to repay this amount to General Revenue on demand, under section 31 (*a*) (or thereabouts) of the Highways Act.

However, with the advent of the Walsh Government, the Minister of Roads (Hon. S. C. Bevan) was asked to repay this money forthwith, and over a period of about 15 months

the department paid some $1,400,000, as requested. I think honourable members will agree that, as far as the department was concerned, it was drastic and untimely, but nevertheless I cannot disagree with it, because it was perfectly within the law. But let us continue the sorry story. Finding itself in increasing difficulties, the Government then asked for a further repayment of the same amount from total Loan Fund liability, and this of course was the beginning of nothing less than a complete confidence trick having regard to the first payment. The plot thickens now. This Government now wishes the department to pay another $1,000,000 per annum, which is termed a repayment to Revenue from Loan funds, which of course means that money borrowed from the Loan Fund and which should be repaid to Loan funds is being diverted directly back into Revenue for general purposes.

There is a slight sideline to those "general purposes" (I like to be fair) in that it may or may not be used in connection with the financing of the Morphett Street bridge. However, I point out that the amount of $1,240,000 was borrowed comparatively recently under this machination and it is suggested that the Minister shall also repay in addition the $1,240,000 that he has already paid from money borrowed on Loan Account for the construction of the Highways Department building and one or two bridges throughout the State but not for rapidly deteriorating maintenance problems connected with the roads. These funds in general terms throughout the other Government departments bear a term of 50 years' interest payment. I reiterate it is now being taken from the immediate revenue of the Highways Department and, as indicated in the press this morning (I am sorry I was not here to hear the Minister's statement, so I cannot tell honourable members whether or not I agree with it), a considerable reduction is therefore intended as a proper allocation to general highways purposes. If he is to put $1,000,000 away in Loan repayment, the Minister then has $1,000,000 less to spend in certain directions. I compare that position with that of the Education Department. I quote now from page 1945 of *Hansard*:

Among the estimated departmental fees and recoveries are two large variations from the actual receipts of last year. For education purposes probable receipts are set down at $1,867,000 less than for 1965-66. This is a result of the decision to charge grants for university and advanced education buildings to Loan account and to take to Loan account as received those contributions from the Commonwealth which were previously credited to Revenue.

All I can say is that it seems to me all right for the Education Department but an entirely different matter when it comes to the Highways and Local Government Department. I turn now to page 1946 of *Hansard*, where we see that the Chief Secretary says:

The miscellaneous items include a proposed recovery of $1,000,000 from the Highways Fund.

A miscellaneous item—$1,000,000! I remind honourable members of that. Let them take a deep breath. The Chief Secretary continues:

As honourable members will recall, an arrangement was made with the Commonwealth for the five years from 1959-60 to 1963-64 under which certain matching grants were made by the Commonwealth together with certain fixed grants for road purposes.

That statement is not quite correct but, broadly speaking, it is so. The Chief Secretary continues:

That arrangement was subsequently renewed—

in other words, the five-year plan. He continues:

and extended for five years from 1964-65 to 1968-69, and the agreed targets were met by the provision of supplementary funds from the Treasury additional to the statutory diversion of net road taxes and charges levied by the State.

The truth of that is that we could match the road grants, but for two years we needed additional money for the construction of the Highways Department building and one or other of the major bridges from Loan funds. But the Chief Secretary in reading the Budget speech went on to say:

As a result of the availability of greater State revenues to the Highways Fund in recent years—

I refer to the motor registration fees paid by the motorist and the additional licences, and the road maintenance tax recently introduced—

the fund has had available to it amounts well in excess of the targets agreed by the Commonwealth and State to secure full matching.

That is an extraordinary statement to put in a Budget explanation. The fact remains that this State by its prudent taxing of motorists to the greatest extent it considered they could afford in order to get the additional money to build roads and bridges, particularly roads, had introduced the road maintenance tax and advertised the fact widely that the resultant money would be used for the maintenance of roads (as it had to be under section 92 of the

Commonwealth Act). It is wrong to suggest that the Minister of Roads suddenly found his increases from year to year, entirely due to the five-year plan of the Commonwealth money, and that this was an excuse for immediately saying, "You are collecting too much and you had better hand it over to health or education or some other department" when his own department was working satisfactorily (and I have every reason to believe that this is so) on the five-year plan enunciated by the Highways Department itself, and by me personally 18 months ago.

I emphasize that the Government's excuse is the availability of greater State revenue to the Highways Fund. As I have explained, this fund is in excess because of motor vehicle taxes that have been paid by our road users for which the motorist expects to be recouped by suitable roadwork. He does not expect the money to be given to other departments, and yet, apparently, some members of the Govenment (I do not like to use the word "impertinence", but something of that nature) say to the Minister of Roads, "You have collected too much money and, despite the statutory powers to direct the funds referred to in the Statutes, we will get around it somehow."

Let us now consider the new idea, hinted at in the lengthy speech, about the Morphett Street bridge. The Morphett Street Bridge Act passed in 1964 provided that the Adelaide City Council should borrow 50 per cent of the money, to be repayable by the City Council over a period of 40 years, and 50 per cent of the money should be made available from the Highways Fund. The suggestion in a Bill that I understand the Government will introduce is apparently that the Highways Fund shall not only find the money the council requires (and the council is empowered to borrow it where it pleases) but also find the 50 per cent itself. This is obviously a matter for Loan funds, if ever there was one!

I suggest that if the Government expects this legislation regarding the Morphett Street bridge to be passed then, despite the statement of the Premier at election time that it would honour all the immediate arrangements and commitments of the Playford Government, particularly those already approved by the Public Works Standing Committee, it would appear that an attempt is being made to break that promise. It is, under the general title of the Bill, a revenue-raising measure and every motorist in this State should complain to the highest heavens, or, possibly, more specifically to the lowest of tribunals here, which is undoubtedly the Government of this State.

What next? If the Morphett Street Bridge Act, passed in 1964, is to be redetermined only two years later, with an entirely different financial outlook, are we to anticipate a new Bill to divert some of the motor registration fees for other purposes? The Government cannot divert the road maintenance tax but it can divert licence fees, which are increasing year by year. If they do continue to increase in numbers (and I hope they will) will the Minister be told he cannot have them, that he is collecting too much money, or can the motorist anticipate a reduction in his registration fee? That would be far too much to hope for! As I have said, statutory legislation regarding the diversion of funds to the Highways Department has been approved by both sides of Parliament over the years. The proposed action will be a repudiation of sound statutory legislation if an attempt is made to alter it in any guise whatsoever, and I venture to say that if a private company attempted this it would in effect invite an immediate inquiry by the Attorney-General.

I remind honourable members of a speech made recently in which it was stated it was hoped to obtain a further $2,000,000 revenue by new charges on road operators, but the revenue would not go to maintenance of roads but would definitely go to bolster the weak finance of the railways. What an extraordinary way to go about things! Why not bolster up the efficiency of the railways, and whilst I am not against road users paying a reasonable fee for using the roads I repeat that, if the road user could be certain the money collected was to be used for the maintenance of roads, little fuss would be made about it. Everybody naturally raises some fuss over any increase in tax, but if it is used justly and rightly not many complaints will arise. On page 1950 of *Hansard* I quote the following passage:

> The Highways Fund itself will be relieved of the direct charge for the administrative costs in question. The purpose of the changed procedure is to place before Parliament a more complete statement of the administrative expenses of the Highways Department while leaving unaffected the net funds available to the department.

I would like to hear from the Minister exactly what the final words mean: "while leaving unaffected the net funds available to the department". This is after taking $1,000,000 for the Morphett Street bridge or for other purposes for the direct revenue of the State. So how it leaves the net revenue of the Highways Department unaffected except in one small

category is beyond my comprehension. It is quite unacceptable to me as a member of this Council.

This is a sorry story of deceit and machination when told to the road transport authorities, to the 100,000 members of the Royal Automobile Association of South Australia, and to the country man awaiting miles of roads of all types, while the lion's share of the funds is forced into "concrete construction" and a few major projects which should obviously be Loan matters. I assure members of the Government that the recriminations that will rebound on it will be another undermining of the pillars of this disastrous Government. To conclude this pitiful story, I offer my sincere sympathy to the Minister of Roads and say that I can reasonably anticipate that this Council would not be at all surprised if he offered to resign his portfolio following the gross maltreatment of him by his colleagues and, indeed, handed out to his department. It is not only a personal curtailment of his progress but reflects also on one of the most progressive departments in this State. I reluctantly support the second reading of this Bill.

The Hon. M. B. DAWKINS secured the adjournment of the debate.

ROWLAND FLAT WAR MEMORIAL HALL INCORPORATED BILL.

Adjourned debate on second reading.

(Continued from October 4. Page 1971.)

The Hon. L. R. HART (Midland): The piece of land that is the subject matter of this Bill was conveyed more than 100 years ago to certain named trustees for religious purposes and purposes incidental thereto. This land had remained under the old conveyance of land system until fairly recently, when it was brought under the Real Property Act. However, this transfer did not affect the provision of the trust, namely, that the land could not be sold, or used for other than religious purposes. The idea of terminating the trust originated during the term of office of the previous Government. However, because of the change of Government, legislation was not introduced.

Subsequently, the former Attorney-General, the Hon. C. D. Rowe, M.L.C., introduced to the present Attorney-General a deputation of residents from Rowland Flat, requesting that legislation be introduced to vest this land in the Rowland Flat Memorial Hall Incorporated. As the religious needs of the people of Rowland Flat are well catered for, the need to retain the land for these purposes no longer exists. However, the need to obtain land on which to build a hall as a war memorial to the Second World War defence personnel is fairly urgent and the land in question is well suited for that purpose.

As money is already in hand to build a war memorial hall, the two remaining trustees of the trust, R. A. Gramp and R. G. Haese, agree that it is appropriate that the trust be terminated and the land vested in the corporate body formed for the purpose of building a hall, not only as a war memorial but also to provide for the recreational needs of the people in the Rowland Flat district. As this is a hybrid Bill and will need to be referred to a Select Committee, I shall not delay it further. I have pleasure in supporting the second reading.

The Hon. M. B. DAWKINS (Midland): This short Bill has been explained by the Minister and by my colleague, the Hon. Mr. Hart. As they have said, its object is to transfer half an acre of land to a body to administer the Rowland Flat War Memorial Hall Incorporated. As this piece of land had been reserved for more than 100 years for purposes for which it was no longer needed (or never has been, in fact, needed), because other properties were used for the purpose for which this land was envisaged, I consider that it is a good solution to the problem to make the land available to the Rowland Flat Memorial Hall Incorporated. I am assured that the people concerned will proceed with the erection of the memorial hall and that the land and the hall will be of great service to the district. I commend the proposal and have much pleasure in endorsing the support that has been given to the Bill.

Bill read a second time and referred to a Select Committee consisting of the Hons. D. H. L. Banfield, Jessie Cooper, L. R. Hart, H. K. Kemp, and A. J. Shard; the committee to have power to send for persons, papers and records, and to adjourn from place to place; the committee to report on November 1.

MOTOR VEHICLES ACT AMENDMENT BILL.

In Committee.

(Continued from October 4. Page 1980.)

Clause 14—"Claim against spouse by injured person"—to which the Hon. F. J. Potter had moved the following amendment:

After the semi-colon in subparagraph (*b*) to insert "or" and the following new subparagraph:

(*c*) if the injured person and his or her spouse were not married to each other at the time of the injury but were so married after the commencement of

the Motor Vehicles Act Amendment Act 1966, within one month after they married;

The Hon. S. C. BEVAN (Minister of Roads): When the Committee adjourned yesterday, my impression was that the proposed new subparagraph left everything wide open. For instance, I wondered what would happen, in the case of parties who married after the commencement of this Act in 1966, regarding the period of three years in which to commence action. My impression was that it might be five years before the parties eventually married. The proposed new subparagraph has been considered in conjunction with another amendment that the Hon. Mr. Potter intends to move. There are limitations in the other amendment and, in the circumstances, I have no objection to this proposed new subparagraph.

Amendment carried.

The Hon. F. J. POTTER: I move to insert the following paragraph:

"and

(*c*) by adding the following new subsection—

(6) All actions commenced under this section shall be commenced within three years next after the cause of action accrued but not after, provided that where the injured person within three years next after the cause of action accrued has commenced proceedings against a person whom he or she subsequently marries before the proceedings are concluded, such proceedings may be continued against the spouse's insurer by substituting the name of such insurer for the name of the spouse, notwithstanding that the period of three years has expired.

It is important that this paragraph be added, because of the complications that exist in the giving of this notice and having regard to the provisions of the Limitation of Actions Act. I think this makes the position clearer. If the Committee accepts this amendment, an amendment foreshadowed by the Minister will need to be altered: it will have to become paragraph (*d*).

The Hon. S. C. BEVAN: I am not happy about this amendment, particularly about the proviso. If the honourable member can assure me that it is necessary, I shall be much happier about it.

The Hon. F. J. POTTER: I am happy to give the Minister that assurance. Actually, the proviso is the important part of the amendment: the first part is taken word for word from the Limitation of Actions Act, so it would not have to be repeated, but I have repeated it to make the whole thing read correctly. I assure the Minister that this is necessary. I have referred the amendment to Mr. Ligertwood, Q.C., who has an extensive practice in matters arising under this legislation and who advises the Insurers Association in this State. He has agreed with me that the amendment is satisfactory and in order.

Amendment carried.

The Hon. JESSIE COOPER: I move to insert the following new subsection:

(7) Where an insured person causes bodily injury by the use of a motor vehicle to his spouse or a person whom he afterwards marries and the carriage of the injured person is pursuant to a contract of hire or reward, the existing or subsequent marriage of the parties shall not be a defence to any action by the injured spouse or other person arising out of a breach of the contract of carriage for hire or reward.

When section 118 was passed, three anomalies were left. I congratulate the Government on amending the Act to cover persons who marry after the accident although they were, as Hollywood says, just friends, or even less, at the time of the accident. This corrects one anomaly, which is not heard of frequently, but two more anomalies exist, and my amendments will try to rectify them. The first does not cover many cases. If the carriage is for hire or reward there must be a high standard of care and a higher standard of maintenance. If an accident occurs it often pays a person to sue in contract, but once there is a marriage this right is lost. Both husband and wife lose their right to sue. This amendment rectifies the situation.

The Hon. S. C. BEVAN: I am easy to get on with, and without arguing the matter I accept the amendment.

Amendment carried.

The Hon. JESSIE COOPER: I move to insert the following new subsection:

(8) Any bodily injury caused by a defective part or accessory of a motor vehicle shall for the purposes of this section be deemed to be bodily injury caused by the use of such motor vehicle.

The Hon. F. J. POTTER: I have just noticed that it will be necessary to include the words "and (*d*)". I have just moved to insert "(*c*)" and now the Hon. Mrs. Cooper's amendment will be "(*d*)".

The Hon. Jessie Cooper: I meant the amendment to come after "(*c*)".

The Hon. F. J. POTTER: It could be done that way if at the beginning of my amendment I said "by adding the following new subsections".

The Hon. JESSIE COOPER: I would agree to that. Proposed new subsection (8) covers a

much wider field. A number of cases of this sort occur, and they may occur when a motor vehicle is stationary. They sometimes occur when a motor vehicle has completed a journey or before it starts. There has been a difference of opinion on this in the High Courts of both Australia and New Zealand whether a car was in use or was not in use. Proposed new subsection (8) says:

Any bodily injury caused by a defective part or accessory of a motor vehicle shall for the purposes of this section be deemed to be bodily injury caused by the use of such motor vehicle.

That does not mean for all purposes: it is for the purposes of this section only.

The Hon. S. C. BEVAN: This is an amendment on which I am not so easy to get on with. I oppose it and hope it will not be carried. The Hon. Mrs. Cooper has pointed out that this will have far-reaching effects. That cannot be denied. It applies to section 118, which deals with spouses only; it does not go outside that. The wording of this proposed subsection leaves the position wide open. Who will determine the facts in cases of this sort? Many aspects come into it. In addition to that, there is the reaction of the insurance companies. We must remember that the person registering the vehicle is the one who has to pay the premium. What are the effects in that direction? If one wanted to play politics, would not this be a golden opportunity for the insurance companies to say, "The Legislative Council has put the amendment into this Act and, whether it or anybody else likes it or not, we have to increase our premiums considerably, because the liability has been extended"? With a stationary vehicle, one could put his head under the bonnet and it could fall down on him occasioning him an injury. How far will this go? I cannot accept this amendment.

The Hon. F. J. POTTER: I sympathize with what the honourable member is trying to do in this amendment but I am a little chary about its being introduced into this Bill in this limited way: for this will apply only to actions between husbands and wives. Nevertheless, we should be careful about how we define a new principle—because it is a new principle. If it is to be introduced at all, it should be introduced not in a limited way confined to actions between spouses: it should be in the Act generally. The impact of this would be so slight as not to cause any increase in premiums under this section.

I appreciate there is the problem of the exact meaning of "the use" of a motor vehicle. That has worried the courts for a long time, because a motor vehicle can be used for anything: a person can even live in one if he wants to. We should know the exact meaning, also, of "defective part" and "accessory" before importing into this Bill such a new procedure, which is designed to cure a difficulty. I am not so sure that it does not create more difficulties than already exist. So, although I commend the honourable member for drawing attention to this problem, I think it may be unwise to move this amendment in this limited sense.

The Hon. JESSIE COOPER: When I spoke on the second reading, I made it clear that this was not the ideal way of coping with this problem. On the other hand, the Government did not give me an assurance that it was even thinking of introducing law reform to cover this point. Therefore, I have tried to do it by this amendment. My colleague's view is not shared by other people. The point is that a number of these cases do occur, and it is nearly always the wife who is injured. It is, of course, a terrible thought that a husband might deliberately push the wife under the bonnet! It goes back to the old argument of 1959, that a husband might say to his wife, "Let me drive you over the bank and break your leg, and I will claim £2,000." That, of course, would not happen in real life. This amendment refers only to husbands and wives. I am glad that insurance companies have been mentioned, because this is what has been happening: because of the difference between cases in Australia and New Zealand, when something like this occurs, the wife has no redress unless she goes to the Privy Council, and the insurance companies have used this as a bargaining point. Therefore, this point should be given serious consideration.

The Committee divided on the amendment:

Ayes (6).—The Hons. Jessie Cooper (teller), M. B. Dawkins, R. C. DeGaris, G. J. Gilfillan, C. M. Hill, and H. K. Kemp.

Noes (10).—The Hons. D. H. L. Banfield, S. C. Bevan (teller), R. A. Geddes, L. R. Hart, Sir Norman Jude, A. F. Kneebone, Sir Lyell McEwin, F. J. Potter, Sir Arthur Rymill, and A. J. Shard.

Majority of 4 for the Noes.

Amendment thus negatived.

Clause as amended passed.

Clause 15 and title passed.

Bill reported with amendments; Committee's report adopted.

Bill recommitted.

Clause 14—"Claim against spouse by injured person"—reconsidered.

The Hon. S. C. BEVAN: I move:

After new subparagraph (*c*) to insert "or (*d*)".

I move in this direction because of previous amendments to this clause. It is a consequential amendment.

Amendment carried; clause as further amended passed.

Bill read a third time and passed.

MINES AND WORKS INSPECTION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 4. Page 1981.)

The Hon. R. C. DeGARIS (Southern): Several speeches have been made on this rather short Bill, some by members for the district to which this matter relates and others by members closely associated with the district. All honourable members who have spoken have referred to the 1962 amendment to the principal Act. I have no direct interest and know little about Port Pirie. I make my contribution to the debate as an outsider, not knowing anything about the matter directly but in an attempt to evaluate the arguments advanced. In 1962 the amendment introduced by the previous Government amended the definition of "works" in the principal Act so that it would include:

. . . all wharves, adjoining the smelting works of the Broken Hill Associated Smelters Proprietary Limited at Port Pirie and used for or in connection with the loading of ships and all erections, cargo, gear, cranes, equipment and conveniences on the same or the appurtenances thereof or the approaches thereto.

I think the Minister, by interjection, said the Bill was short, sharp and shiny. We can all agree with that. Its purpose is to alter the 1962 amendment to include only wharves 8, 9 and 10 of the six wharves. Wharves 5, 6 and 7 are being excluded. I think we should examine the reasons for the amendment made in 1962. The second reading explanation contained the following:

The object of this short Bill is to make provision to enable the oversight and control of machinery on, and reporting of accidents occurring at, the wharves at Port Pirie adjoining Broken Hill Associated Smelters Proprietary Limited when no shiploading is in progress.

The Second Schedule of the principal Act deals with regulations and includes power to make regulations regarding accidents. I understand that the actual loading to and from ships on the wharves is covered by Commonwealth regulations. The purpose of the 1962 amendment was to give complete coverage during loading or when loading operations were not taking place. I also understand that the amendment was requested by the B.H.A.S., which pointed out that, when lead was being handled from point to point on the company's wharf at Port Pirie, the operations were uncontrolled, and the company sought an amendment to cover these operations and in particular to require the reporting of accidents occurring on the wharf.

During the debate in 1962, as has been mentioned by the Hon. Mr. Gilfillan, the only honourable members who spoke were the then Minister (Hon. Sir Lyell McEwin), the late Hon. Mr. Bardolph, and the Hon. Mr. Gilfillan. The only worry that Mr. Bardolph seemed to have was that the Bill could short circuit arrangements and award conditions on wharves at Port Pirie as applied to the Waterside Workers Federation.

The Hon. G. J. Gilfillan: Demarcation issues.

The Hon. R. C. DeGARIS: Yes, I think his words were that the Bill could affect "union demarcation of work". It was unfortunate that the present Minister did not speak in that debate. Mr. Bardolph questioned whether the Bill affected the rights of members of the Waterside Workers Federation and found that this matter was not dealt with by the Hon. Sir Lyell McEwin in the reply to the second reading debate. In the third reading stage, Mr. Bardolph asked that his question be answered and the Hon. Sir Lyell McEwin quoted a report by the Director of Mines, as follows:

The amendment was introduced following on a request from the Broken Hill Associated Smelters for some responsible authority to take over control of the safe working of wharf cranes on the northern portion of the Smelters wharf. These cranes handle both inward and outward materials for the Smelters and traverse portion of the Smelters, portion of the wharf and also over ships. With respect to safe working practices on the Smelters, the cranes come under the Mines and Works Inspection Act, over ships under Commonwealth maritime control but on the wharf itself the cranes are at present no-one's responsibility, *e.g.*, accidents with the cranes on the wharf are not reportable to any authority at present.

The important thing in the report is the Director's statement that the amending Bill of 1962 gave some control in regard to the safe working of cranes on the northern portion of the Smelters wharf.

The Hon. R. A. Geddes: Doesn't that mean all cranes?

The Hon. R. C. DeGARIS: I think it means on the northern portion. I think the Minister, by interjection, has intimated that the northern portion of the wharf, as mentioned in the report by the Director, means only wharves 8, 9 and 10, and I am inclined to agree. However, certain doubts have arisen in my mind, particularly in relation to wharf 7. It seems that that wharf could have been included in the reference in the Director's report. The plan on the board shows that. I have said that I am an outsider in this matter, but I know that the Minister considers that the only wharves referred to in 1962 were Nos. 8, 9 and 10. I am asking whether wharf 7 would have been included in that report in 1962. I can see no other matter to question in this Bill, but I ask the Minister to reply to that query. I support the second reading.

The Hon. R. A. GEDDES secured the adjournment of the debate.

LOCAL GOVERNMENT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 4. Page 1974.)

The Hon. Sir ARTHUR RYMILL (Central No. 2): I support the second reading of this Bill although, in common with some other members, I have some doubts about its scope and effect. Its objects and purposes are obviously satisfactory, but the question that has arisen in honourable members' minds, including my own, is whether in rectifying an apparent evil it does not go too far and thus possibly be likely to restrict or over-restrict councils in their operations.

It has been said that this is a Committee Bill, which is perfectly true. I do not intend to make this a Committee debate, but I should like to make observations on one or two clauses. New subsection (1a) of section 158 (inserted by clause 3) provides that the council shall pay to the auditor such remuneration as the Minister, on the recommendation of the Auditor-General, may fix. This is a rigid provision, as a council will not be able to come to an agreement with its own auditor about his remuneration but must pay what it is told to pay. I think the Minister said that the purpose of this was to ensure that the scope of the audit was sufficiently wide to be satisfactory and that some councils had tended to underpay their auditors. It seems to me that, while the Auditor-General or the Minister may fix a minimum fee, councils should have some latitude to enable them to pay more and have a more effective audit if they see fit to do so.

The Hon. S. C. Bevan: This does not stop them from doing that.

The Hon. Sir ARTHUR RYMILL: It does not say so.

The Hon. S. C. Bevan: It will by the time the Bill is finished.

The Hon. Sir ARTHUR RYMILL: There is an amendment on honourable members' files to this effect. This amendment is to be moved by my colleague, and it sounds as though it will be accepted. I think this was the intention of this clause, and it would be more satisfactory if it were so. A problem I come up against almost every day in companies is the extent and scope of the audit and what is satisfactory. It is not easy to decide how far an audit should go, what measures should be used, and what is covered. If this amendment is to be agreed to, as appears likely, I think the clause will be satisfactory.

The Hon. S. C. Bevan: I intended moving it until I saw the amendment on file. I will accept that amendment.

The Hon. Sir ARTHUR RYMILL: I think it was probably the original intention, but it is not what the clause provides. I do not intend to go into details, as this will be done in Committee. I wish now merely to make one or two comments about clause 6. This clause seems to me to be rather rigid, and possibly it does not allow councils sufficient scope to regulate their own affairs. Honourable members will know that it has been the burden of my song ever since I have been a member of this Chamber that councils must be given reasonable control over their own affairs and must be trusted. The Local Government Act limits the powers of councils, and this is perfectly acceptable to all parties, but if councils are over-regulated there will be a tendency for their members to lose interest in their work. It is a voluntary job (a labour of love, as it were) in most cases, done by people with a high degree of public outlook, and I think that, if we do anything that will dampen that at all, it will not be a good thing for the whole structure of local government.

No doubt in Committee suggestions will be made for the amendment of clause 6. Paragraph (*a*) provides that regulations may be made prescribing accountancy and finance methods and systems and making their use by councils and by their officers compulsory. This seems to be a rigid sort of approach. Paragraph (*a*1) provides that regulations may be made prescribing books of accounts,

forms and records and making their use by councils and by their officers compulsory. Various other matters are then dealt with. I realize that this is only a regulation-making power and that if regulations were over-restrictive they could be disallowed by this Chamber. However, it has been pointed out to me that, if the regulations were made while this Council was out of session, although they would be subject to disallowance, they would come into force and have to be observed.

Accountancy and finance methods are a day-to-day business and, if forms and so on were prescribed when this Council was not in session and it thought they ought to be disallowed, it would not have the opportunity, possibly for some months, to disallow them. In the meantime, these forms would have to be adopted, and, once they had been adopted, it would be very difficult to revert to some other form of accountancy. As we know, regulations come into force when promulgated, subject to disallowance.

The Hon. S. C. Bevan: A regulation can provide that it will come into operation on a certain date.

The Hon. Sir ARTHUR RYMILL: Yes, but I would rather see the Act provide this as this is a thing that should be unscrambled when it comes into force. The Act can prescribe that the regulation shall not come into force until it has been on the table for 14 sitting days, and if this were so I would not mind seeing it go through in its present form. If that is not to be, we should scrutinize carefully this regulation-making power to see that it is not too wide, so that new methods could not be prescribed without any right of appeal.

The Hon. S. C. Bevan: The regulations would more or less be drafted as one.

The Hon. Sir ARTHUR RYMILL: As an overall matter for the councils?

The Hon. S. C. Bevan: They would not come into operation for a period of six months thereafter.

The Hon. Sir ARTHUR RYMILL: I think this is the sort of thing for which our powers to disallow regulations are given to us. Thus, I think it is a case where we should have some proper way of looking at it. Many regulations can come into force and be disallowed afterwards without any harm being done, but this does not seem to come into quite that category. Subject to the Committee's scrutiny of the Bill, I propose to support at least its purposes and, as I indicated when I first rose, I certainly will support the second reading and will probably have more to say in the Committee stage.

The Hon. H. K. KEMP (Southern): I support this Bill. Nobody doubts the need for it. I had no intention of speaking to it until representations were made to me from various district councils in the Southern District. My purpose is not to elaborate on the matter but to voice the objections that have been raised. I do not think I am competent to go into details. Anyway, other honourable members with long experience of local government have already dealt with them. My remarks will be confined to the complaints that it is my duty to voice.

The first is a general complaint (I think it is warranted) that this matter is really *sub judice*. A considerable amount of work is being done by committees representing local government. They feel bitter about this matter. Is all their work not to be considered? Is it to be overridden by this Bill? I do not think that is the intention of the Government. Rather, its intention is to stop sundry irregularities and abuses that unfortunately attach to the working of some bodies. Therefore, we must support the Government in this aim.

The Minister should be aware that his action in introducing this Bill at this time is arousing a sense of dissatisfaction among these people who are dedicated to their work in local government. I should like the Minister to state his attitude when he replies to this debate.

The next objection raised is overcome by this Bill—that is, a feeling of dissatisfaction among district councils that they are subject to audit by the Auditor-General whereas corporations have not been. This objection is being effectively overcome by this Bill. It is not appreciated by the councils that this is so, that from now on local government bodies, whether they are corporate or merely district councils, will be on an equal footing. It would be helpful if the Minister would make a direct statement on that.

The real objection is to clause 6 of the Bill. Many councils, and particularly one in my immediate neighbourhood, are proud of their system of rate control and bookkeeping: in fact, their whole office procedure has been developed over the years by a series of most able district clerks. They feel they will be losing a good system if it is to be overridden and they are to be forced to use standard forms common to every council in the State. It makes me wonder whether or not the purpose of this sweeping introduction of standardization

(which is inherent in clause 6) might underlie a future aim of computerizing accounting systems for local government, and whether this is possibly the forerunner of centralized accounting run by the Local Government Department instead of in the individual council offices, where in most cases the accounts are carefully kept.

The Hon. C. M. Hill: It could be the forerunner of centralized auditing.

The Hon. H. K. KEMP: Neither of these would be out of context in the modern development of accounting, but no mention of this was made by the Minister when he introduced the Bill. It is one of the few reasons that could justify the sweeping changes that will be enforced if clause 6 is allowed to go through in its present form.

I have examined closely the suggested amendments on the file, which remove some of the objection to the clause, but the district councils to which I am answerable are unhappy about this clause, and their instruction is that it be opposed as a whole rather than that it should go through in this form. I do not intend to speak at length. That is the kernel of the objections raised in the Southern District. I understand that these objections will be co-ordinated and submitted to the Minister very soon. We should keep this Bill open at the second reading stage until these bodies can in concert submit their ideas. I support the Bill.

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

ADJOURNMENT.

At 4.35 p.m. the Council adjourned until Thursday, October 6, at 2.15 p.m.