

## LEGISLATIVE COUNCIL

Wednesday, October 12, 1966.

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

### QUESTIONS

#### BROKEN HILL TO PORT PIRIE RAILWAY.

The Hon. Sir LYELL McEWIN: On October 4 I asked a question of the Minister of Roads regarding a survey of the Broken Hill to Port Pirie railway line and its possible effect on roads passing through some northern towns. Has the Minister any information in reply to that question?

The Hon. S. C. BEVAN: Yes, and the reply is as follows:

During the planning of the uniform gauge railway line through northern towns, the South Australian Railways have frequently consulted the Highways Department. As a result, it has been possible to reduce the number of railway crossings on main roads and between Burra and Cockburn eight crossings have been eliminated. A joint scheme for the creation of major drainage channels common to each department has enabled both departments to effect savings in the number of bridges required. The Minister of Transport could probably also confirm that the South Australian Railways have consulted with appropriate local government authorities in the planning of railway work within township areas.

The Hon. Sir LYELL McEWIN: Following the reply of the Minister, it seems that perhaps I did not make my question clear. It really related to the towns between Broken Hill and Port Pirie, and not to Burra, because that is on the present line. The standard gauge will pass through towns such as Caltowie, Jamestown and Gladstone and it is the effect on those areas with which I am concerned as regards highways. Perhaps the Minister would be prepared to follow up his reply in that direction?

The Hon. S. C. BEVAN: Yes.

#### LOCAL GOVERNMENT COMMITTEE.

The Hon. C. M. HILL: I ask the Minister of Local Government whether he will make a general statement on the progress being made by the Local Government Accounting Committee. Can he indicate when he expects the committee's findings to be complete and will those findings be made available to members and to local government authorities?

The Hon. S. C. BEVAN: The only answer I can give, with the information available to

me, is that the committee's report will probably be available towards the end of this year. I am unable to say what the report will contain and have not at this stage given consideration to whether it will be available to all honourable members.

#### EXCURSION FARES.

The Hon. Sir LYELL McEWIN: Has the Minister of Transport an answer to my question of September 29 in relation to weekend excursion fares, when I quoted from a letter that asked whether these fares could be available on Thursdays?

The Hon. A. F. KNEEBONE: I have had inquiries made, and the answer is as follows:

South Australian Railway by-laws provide that country excursion fares are available at weekends, from Fridays to Mondays inclusive. If there is a public holiday on the Monday, the availability extends until the Tuesday. It is considered that at present there is no justification for making the weekend excursion available from Thursday, instead of Friday.

#### GRAIN RATES REGULATION.

Adjourned debate on the motion of the Hon. L. R. Hart:

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.

(Continued from October 5. Page 2037.)

The Hon. M. B. DAWKINS (Midland): I support the motion moved by my colleague the Hon. Mr. Hart last week, when he instanced the steep increases in freight rates that occur as we get farther away from the receipt points. The sliding scale he submitted to the Council worked on the basis that, for distances up to 70 miles, the increase will range up to 6 per cent (which I consider reasonable enough), for distances from 71 to 100 miles it will range from 6 per cent to 18 per cent, for distances from 101 to 150 miles it will range up to 28 per cent, for distances from 151 to 170 miles it will range up to 33 per cent, and for distances of more than 170 miles a flat increase of 33½ per cent will apply.

I have repeated those figures, because the increases will place a great burden on primary producers and will seriously discriminate against those least able to afford them. Those who are long distances from receipt points and those who are working marginal areas will be least able to afford increases of this kind, and many places in marginal areas will attract the 33½ per cent increase. We all know that there

is a considerable variation in seasonal prospects this year. Places like Kimba, Wudinna, Minnipa and Buckleboo are in the category that will be required to pay an increase of from 30 per cent to 33½ per cent, and some areas do not always do well.

We all know that the season is particularly good on the West Coast this year. The farmers in that area may be able to pay the increased rates, and the Government will probably get a large increase in revenue from them. As my colleague mentioned last week, on an average farm in the Kimba area, for example, the increase could be about \$6 a week. As I interjected at the time, this is on top of all the other increased charges that have occurred.

While the situation on Eyre Peninsula, about which my colleagues from the Northern District know far more than I, is far more buoyant from the point of view of the harvest this year, this cannot be taken as a base year. We all know that in these marginal areas there are seasons which are very good and those which are very bad, and this has to average out. Even though the people in this part of the State may be able to pay higher charges this year, the average result will be that they will have an impost that will be difficult to meet over the years. I believe that the policy of increasing these rates by from 6 per cent up to 33½ per cent is against the interests of the State as a whole.

I have said that the season is very good in parts of the State, and we all know that there has been a forecast of a 55,000,000-bushel harvest, which would be a record. This, if it happens, will be due to the fact that in parts of the State there is a very good prospect indeed, but on the other hand it is not difficult when driving around parts of the Mid-North and the Lower North of the State to find what would appear to be some mediocre results coming up, because of some seasonal difficulties. Some of these people, too, will have to pay these increased rates at a period that will be difficult for them.

In the Mallee areas, particularly around Loxton, Paringa, Alawoona and Wanbi, the season is very bad indeed. In fact, I have received correspondence from constituents stating that in some of these areas the rainfall has been lower than they have ever known and that they will get practically no harvest. Nevertheless, whatever they get, to cart their grain they will have to pay freights that will be increased by 30 per cent to 33½ per cent.

I received one letter in particular from a gentleman in this area who, although facing what was in his location the worst drought year that he had experienced, still said that he and the people he represented (he wrote on behalf of a large number of people) could see there was some need for an increase. Even though he faced this catastrophic year, he was prepared to concede that an increase of, say, between 6 per cent and 10 per cent was reasonable and that other farmers in the area, even though they were in this difficult position, would see the necessity for such an increase. But, when it comes to an increase of from 30 to 33½ per cent, in many of these areas it is too much of a burden altogether. It is no encouragement to people to go into our second and third class country and develop marginal areas when they have to pay these large increases in freight rates.

I heard the Chief Secretary interject the other day, when my colleague on my left (Hon. L. R. Hart) was speaking, that he thought much of the Murray Mallee was in Northern District. I am surprised that the Chief Secretary is not more in touch with the situation in South Australia to know that most of the Murray Mallee is in the Midland District, that some of it is in the Southern District and that little or none of it is in the Northern District. In this particular area to which I have referred—places like Loxton and Paringa in Midland and Pinnaroo and district in Southern—the season promises to be very bad this year; yet we have this impost on top of everything else. In all sincerity, I say that this Government will have to realize that primary producers are not a bottomless pit of revenue to be exploited. They cannot pass on these costs.

Some members on the Government side have the impression that the farmers are rolling in money and assets and that it is only a matter of peeling off a little more; but, in my experience, most farmers are probably struggling against an overdraft in trying to develop their properties to make themselves and, as a consequence, the whole State more effective and productive for the benefit of the community. Farmers are not in a position to bear these extra costs, such as severe increases in land tax, water rates, and local rates—I am the first to admit that local rates are not the responsibility of this Government, but nevertheless they are there. Farmers cannot bear this steep rise in freight rates combined with drought conditions in some of the areas to which I have referred.

In the case of those primary producers who are a long way from the receival point and who in many cases are developing marginal lands for the benefit of the whole State by increasing the productivity and improving, if possible, the fertility of their soils, this steep increase in freight rates combined with all these other increases that I have instanced will mean the difference between carrying on and going broke in some areas. This Government's desire to take money from the people may well kill the goose that lays the golden egg. I think it is doing so now, to some degree.

This policy of taking more and more money from the people must cease because, if it does not, it will mean that whether it is primary or secondary industry there will be less and less money for development and expansion, and development and expansion, whether it is primary industry, Government enterprise or anything else in South Australia, means advancement for the State as a whole. We must call a halt to this policy of taking more and more money from the people by way of further taxes and greater costs if the State is not to go downhill faster than it is at present.

I appeal to the Government to reconsider this regulation, which, in my opinion, is a most unwise one. I am aware that this Council is not in a position to make amendments to it; if it were, I would ask the Government to consider a compromise by way of an amendment but, that not being possible, I ask that the regulation be reconsidered. I commend my colleagues, the Hon. Mr. Hart and the Hon. Mr. Gilfillan, for the matters they raised regarding this regulation and I endorse many of their comments. I support the motion.

The Hon. A. F. KNEEBONE secured the adjournment of the debate.

#### LONG SERVICE LEAVE BILL.

Adjourned debate on second reading.

(Continued from October 4. Page 1986.)

The Hon. A. F. KNEEBONE (Minister of Labour and Industry): I agree with the remark which the Hon. Mr. Potter made when concluding his second reading speech on his Bill, that it is an extremely important one. The Labor Party considers that it is of the utmost importance that all workers should receive an adequate period of long service leave, and in fact this was one of the matters specifically mentioned by the Premier when he made the policy speech of the Australian Labor Party in February, 1965, which policy was

endorsed by the electors of this State and resulted in the present Government assuming office. The Government is aware of the fact that the present situation in South Australia regarding long service leave is quite unsatisfactory; in fact, the Hon. Mr. Potter referred to the position as being chaotic. However, after such a long period in Opposition it has not been possible for all of the most important industrial reforms to be undertaken since we were elected as a Government.

Industrial matters generally had been so neglected by the previous Government that it has been necessary for us to decide priorities, because all of the necessary reforms could not be made in one or even two years. As honourable members are aware, important industrial legislation has already been passed by Parliament in the last session and more is to be presented during the current session. It was the Government's intention to introduce legislation next year concerning long service leave to give effect to our policy.

The introduction of this Bill by a member of the Liberal and Country League represents a complete somersault from the position which his Party adopted on previous occasions.

The Hon. A. J. Shard: It does not run true to form, does it?

The Hon. A. F. KNEEBONE: No, it does not. As long ago as 1954 Mr. M. R. O'Halloran, who was then the Leader of our Party, introduced into the House of Assembly a Long Service Leave Bill to enable workers generally in South Australia, who serve an employer for a substantial period of time, to receive the benefit of long service leave which 12 years ago had been recognized to be just and reasonable in three of the other Australian States. This attempt by the Labor Party was denied by the Government which was in office at the time. Subsequently, in 1957 the Premier of the Government of the time introduced a Bill under the title of Long Service Leave Act but, as the writers of fiction would say, any resemblance between the principles of long service leave and the provisions of the Bill was purely coincidental. However, because of the fact that the Liberal and Country League then had a majority in both Houses, the Bill, although amended in various respects, was passed in the form in which we now find the Long Service Leave Act, 1957.

As the Hon. Mr. Potter said in introducing his Bill, the 1957 Act provides for one week of additional annual leave to be given to an employee in the eighth and subsequent years of service with his employer. This Bill was

strongly opposed by members of the Labor Party, not only because it was not a Long Service Leave Bill at all, but also because it was thought at the time that if it was passed it would considerably retard the progress which members of my Party had made towards achieving a scheme of true long service leave. Although the Bill was so strongly opposed, Mr. O'Halloran made it quite plain in his second reading speech on the Bill (see page 346 of 1957 *Hansard*) that "we on this side of the House are unequivocally in favour of long service leave in its true sense and if a Labor Government were in office—and in power—it would have no hesitation in legislating for it without any subterfuge, disguise or hypocrisy." He went on to say that he was speaking of long service leave in the sense in which anyone who cared to give the matter the slightest consideration would understand it—that is, leave in respect of long service to be enjoyed as such and to be of sufficiently long duration to be worthwhile.

The very introduction of the Bill now before the Council indicates that the view which the Labor Party took at the time, as expressed by its leader and other members, was absolutely correct. Time has proved this. Not only have the unions continued to be opposed to the principles (if they can be called that) contained in the present Act, but so also have the vast majority of organizations of employers. This has led to the spectacle of one long service leave agreement after another being entered into and registered with the Industrial Registrar pursuant to the Industrial Code, so that the leave provisions of the Act could be avoided.

There are in existence at the present time no fewer than 105 of these agreements which have been made between many unions and many employer organizations. Also, employer organizations have sought, and obtained, long service leave awards both from the Commonwealth Conciliation and Arbitration Commission and also from the State Industrial Commission. This means that the provisions of the present Act do not apply to a substantial number of persons who are paid under awards and in this connection I remind honourable members that when the last survey of the incidence of awards was made by the Commonwealth Statistician in May, 1963, it was found that 85 per cent of all employees in this State included in the survey were subject to either a Commonwealth or State award.

By 1964 the position had been reached that most employees in this State received entitle-

ments to long service leave under an industrial agreement registered with the State Industrial Registrar. However, in May, 1964, the Commonwealth Conciliation and Arbitration Commission inserted long service leave provisions in the Metal Trades and Graphic Arts Awards on the basis of 13 weeks leave after 15 years' continuous service, with *pro rata* leave as provided for in the Bill now before this Chamber. These provisions have been subsequently included in other Commonwealth awards, and also the main agreement registered with the Industrial Registrar has recently been similarly altered. In his last two annual reports the Secretary for Labour and Industry has referred to the confusing situation regarding long service leave entitlements because of the existence of four different long service leave provisions. As the periods of leave and conditions of eligibility differ under each system the situation is confusing to employers and employees alike.

The Government, therefore, favours the repeal of the 1957 Long Service Leave Act and the introduction of a new Act which provides for three months' long service leave after a period of employment. The Government does not consider that the terms of entitlement which are contained in the present Bill are the appropriate ones. As the Premier said in his policy speech to which I earlier referred, "as a Government, we will introduce legislation to provide for long service leave on the basis of three months' leave after 10 years service with any employer with provisions for *pro rata* leave for any period of time thereafter."

Therefore, if the Bill passes the second reading I wish to make it clear that I intend to move that the period of leave to which any worker should be entitled will be three months after 10 years' completed service, and not after 15 years' service as contained in the Bill, and for *pro rata* leave to be granted after five years instead of after ten years as contained in the Bill and also in respect of any period of service in excess of 10 years.

Subclause (1) of clause 4 provides that the service of a worker will be recognized from the date from which it is now taken into account in calculating long service leave pursuant to the long service leave scheme at present in operation. There is no definition of "scheme" nor any indication as to what it means. At present some workers are entitled to long service leave under the provisions of the Long Service Leave Act, 1957, some under a long service leave agreement, some under an

award and others under an "employer's scheme" as defined in section 16 of the present Act. There is a difference of opinion among the Government's advisers as to what the words "long service leave scheme" mean, particularly whether they are meant to include the present Act.

Whether or not this section is intended to apply to workers entitled to long service leave under the present Act, it appears that the intention of the section is to count service under various long service leave agreements. The basis of calculating such leave will be that set out in subclause (5) of clause 5. This would mean that any period of continuous service of a worker since 1937 would therefore be regarded as service in determining the amount of leave due.

When the previous Government opposed the 1954 Bill and later, in 1957, introduced the Bill under which service prior to July 1, 1950, was not to be taken into account, one of the grounds for the opposition in the first case and for the operative date in the second was that it would be wrong for any Bill to specify a long period of retrospectivity. Notwithstanding this attitude, many employers subsequently, in 1957 and 1958, of their own volition, entered into agreements with unions under which 20 years' past service was recognized for the purpose of granting long service leave; that is, in respect of service from 1937. Here we find in this provision in the present Bill yet another change of attitude on the part of members opposite, and it is obvious that the progressive thinking of the Labor Party has permeated to other areas. It is, therefore, not too much to expect that the amendment that I propose to move regarding the entitlement to long service leave will also be accepted.

Another amendment that will be necessary is that clause 11 should provide that an employer will not be able to obtain exemptions from the obligations which the Bill imposes by obtaining an award, unless the long service leave provisions of the award are more favourable than the provisions of the Act. I also point out that there is no provision in the Bill for the making of regulations (regulations have been made under the present Act) nor are the inspectors referred to in clause 10 given any powers to enable them to inspect records should an employer object to their doing so.

There is a number of other matters to which amendments will have to be made if the Bill passes the second reading. I shall submit them later. While the present Act is admittedly,

unsatisfactory, this Bill will not give to the workers of the State the entitlement to long service leave which the Labor Party considers to be reasonable and appropriate. However, it is an improvement on the present Act. I support the second reading.

The Hon. C. M. HILL secured the adjournment of the debate.

#### AUDIT ACT AMENDMENT BILL.

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

#### BRANDING OF PIGS ACT AMENDMENT BILL.

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

#### APPROPRIATION BILL (No. 2).

Adjourned debate on second reading.

(Continued from October 11. Page 2147.)

The Hon. L. R. HART (Midland): I rise to speak to this Bill with a certain amount of genuine concern. We have seen South Australia's financial position deteriorating considerably in the last two years. When the Labor Party came to office, it was in the happy position of taking over with the affairs of the State in a buoyant position. When I say a buoyant position, I mean that both the Loan and Revenue accounts were in credit, as they had been for several years prior to that time. However, during the period of office of the Labor Government, both of these accounts have drifted into deficits.

This gives me much concern as a member of Parliament, and an elector and a citizen of South Australia, not only because the position has arisen in a short time but also because the problem of rectifying this unhappy state of affairs is not an easy one. It will not be easy for the Labor Party to get the State back on a level keel, nor would it be easy for an alternative Government that took office if there were an election.

The Labor Party has said that this is not an isolated case, that similar positions apply in the other States, particularly in States where Liberal Governments are budgeting for deficits. That may be so, but the Liberal Governments in those other States have inherited the legacies from Labor Governments. I shall deal with these States in turn. Victoria is a compact State with a great area of fertile and productive land, yet that State is in some financial difficulties. Why should this be so, as Victoria has a great potential? The present Government there inherited the legacy of a coalition

Country Party and Labor Party Government that ruled over many years in such a way that it allowed the finances of the State to drift into an unsatisfactory position. New South Wales, too, is a very fertile State, and it has a great population. It was the first State in this Commonwealth to be founded, and it was soundly based in its early years, yet a similar state of affairs exists there: the present Administration has inherited the legacies that follow a Labor Administration.

The Hon. A. F. Kneebone: Doesn't your argument indicate that we have inherited something from the previous Government?

The Hon. L. R. HART: No. If the Minister will be patient, I shall lead up to this.

The Hon. A. F. Kneebone: You are arguing against yourself.

The Hon. L. R. HART: In my opening remarks I said that the present Administration had inherited a sound state of affairs.

The Hon. A. J. Shard: We inherited a lot of liabilities.

The Hon. R. C. DeGaris: You inherited some assets, too.

The Hon. A. J. Shard: The liabilities outweighed the assets.

The Hon. L. R. HART: I shall be charitable and say that the present Government may have inherited liabilities, but what Government does not? However, to gain power it inflicted on itself many more liabilities which, if its members had been sound administrators, they would have known they could not carry out. New South Wales had a Labor Government for many years; in fact, it was kept in power by, shall we say, a system that was criticized in South Australia for many years. That Government was kept in power by a minority vote.

The Hon. D. H. L. Banfield: Similar to the position in South Australia with the Liberal Party.

The Hon. L. R. HART: Eventually the people of New South Wales realized that, if that State was ever again to be the State it had been, they would have to get rid of the Labor Administration. The Hon. Mr. Banfield is apt at chipping in when other honourable members are speaking, but we have not heard much from him recently. He does not contribute very much to the debates.

The Hon. D. H. L. Banfield: The vote is all that counts, and you have the numbers.

The Hon. L. R. HART: No doubt he is subject to discipline in his own Party.

The Hon. D. H. L. Banfield: Don't you like interjections?

The Hon. L. R. HART: I thrive on them. If the honourable member likes to keep interjecting, I shall stay on my feet for the rest of the afternoon and be happy to accommodate him. He is subjected to very strict discipline. He is told when he can make a speech, but he is not told that very often. I think he is probably told that he speaks too much. As he keeps interjecting, I have no doubt that he will be told soon that it will be wiser for him to stay in his seat and do his crossword puzzle.

The Hon. D. H. L. Banfield: What is a three letter word starting with "s"?

The Hon. L. R. HART: I was proceeding to do a little geography before I was interrupted.

The Hon. A. J. Shard: You are not doing too well.

The PRESIDENT: Order!

The Hon. L. R. HART: I shall go further north to Queensland, a very prosperous State; or rather, it is a State that could be prosperous. No doubt it has the greatest potential of any State. It has most of the raw products that South Australia would very much like to have; it has a great number of rivers and a great quantity of water; it has great supplies of minerals; and it has vast areas of land that are not developed. Why is this potential not developed? The answer is simple: that Queensland for many years was under a Labor Government, which was kept in power by a system that was criticized in strong terms by the Labor Party in South Australia.

The Hon. D. H. L. Banfield: What sent Victoria broke?

The Hon. C. R. Story: Have you had a look at the map on the board?

The Hon. L. R. HART: No, but that is another matter. No doubt we shall get around to it, and it will be interesting. That reveals another of the Labor Party's socialistic schemes.

The Hon. D. H. L. Banfield: You have not told us what sent Victoria broke.

The Hon. L. R. HART: That State has had to make up for lost time; it has considerable development to carry out.

The Hon. A. J. Shard: There has not been a Labor Government there for 20 years. What are you talking about?

The Hon. L. R. HART: I know that, but there has been a Government kept in power by the Labor Party there.

The Hon. A. J. Shard: Don't be foolish!

The Hon. D. H. L. Banfield: You can't have it both ways!

The Hon. L. R. HART: One soon knows when one is touching the Labor Party on a raw spot.

The Hon. A. J. Shard: You have not been factual. There has not been a Labor Government there since the Cain Government 20 years ago.

The Hon. L. R. HART: If the Chief Secretary is prepared to make my speech for me, I shall accommodate him. He and I think along different lines.

The Hon. A. J. Shard: Thank heaven for that!

The Hon. L. R. HART: This State finds itself on a downward trend, and the Government finds itself in this position, too. When a Government is unable to balance its Budget, how can an individual be expected to balance his budget? When an individual finds himself in financial difficulty, the only way he gets out of it is by increasing his productivity—by producing more than he has produced previously. This philosophy should apply to a Government: when it finds itself in financial difficulties, it should set out to try to get its priorities in correct order and to increase the productivity and wealth of the State, and it can do this only by providing incentives to the individual.

I realize that it is necessary that tertiary industries be given their share of the State's resources. These industries are very necessary, but they are a long-term investment and, when one is in financial difficulties, one must look to the short-term investment. However, apparently that is of no interest to this Government, which has an obsession (I emphasize this word) and takes a great pride in the fact that during the last session it introduced a record number of Bills to this Parliament. But what do these Bills mean, what do they deal with? In the main, they are social legislation or they are Bills for increasing taxation in this State. What Bills have been introduced to increase our productivity? What Bills have been introduced to increase our employment? What Bills have been introduced to induce new industry to come to this State so that the average man and woman here can be assured of a job and so that their children, having received an adequate education, can be assured of jobs being available for them? What is the use of a lottery to an unemployed person in the street?

The Hon. D. H. L. Banfield: Remember that 70 per cent of the people wanted a lottery.

The Hon. L. R. HART: Yes; I appreciate that 70 per cent wanted a lottery back at the time the referendum was held, but ask the people today in which they are more interested—a lottery or an assurance that employment will be available to them.

The Hon. A. J. Shard: That is like asking a husband whether he still belts his wife.

The Hon. M. B. Dawkins: How do you work that out?

The PRESIDENT: Order!

The Hon. L. R. HART: It may be like asking the electors whether they would like to belt the Government at this time. The Government might not be willing to take the risk. It made a number of promises at the last election. One Minister said by interjection that it inherited many liabilities. If so, it has added to those liabilities by making a lot of promises to the electors at that time, promises that it felt bound to carry out. I do not begrudge it that: if one makes a promise, it is necessary to carry it out. We had, for instance, the promise of free school books. What does that actually mean? Are the school books to be completely free? Frankly, I am not too sure about this. I believe that prior to the last election one child in five in South Australia was getting free school books.

The Hon. D. H. L. Banfield: That shows how poor the people were.

The Hon. L. R. HART: The child was getting them free.

The Hon. D. H. L. Banfield: Yes, because the parents could not afford them, under the previous regime.

The Hon. L. R. HART: But under the present scheme, I understand that the books will not be free but will be on loan to the schoolchild.

The Hon. R. C. DeGaris: Previously, if a child could not afford them, they were supplied free.

The Hon. L. R. HART: Yes.

The Hon. D. H. L. Banfield: The honourable member said that one child in five could not afford them.

The Hon. L. R. HART: Yes.

The Hon. D. H. L. Banfield: That's not a bad figure.

The Hon. L. R. HART: But under this scheme these books will be on loan.

The Hon. A. F. Kneebone: That does not speak very highly of the prosperity at that time.

The Hon. L. R. HART: And, if the books are defaced in any way, they will be no longer free: the child will have to pay for them.

That was not the position previously: the one child in five was getting them free. The books he received were completely free and, if they were defaced, he was not required to pay for them, because those children were not in a financial position to accept that responsibility. What will be the position, under the new scheme, of these children who previously received free school books? Will they be put into a different category? Will they be receiving free school books on the same basis as every schoolchild in South Australia or will they be in the position of being not required to pay for the books if they are damaged in any way? The Government is reticent about this; it does not say anything. It should announce its exact plans. One could enlarge to greater lengths on how this scheme will be carried out.

Who will be responsible for checking all the books—the schoolteacher or another department to be set up? Will there be a Department of Free School Books to check to see whether a page is missing anywhere?

The Hon. M. B. Dawkins: If so, it will create more employment.

The Hon. L. R. HART: Yes.

The Hon. M. B. Dawkins: But unproductive employment.

The Hon. L. R. HART: I do not doubt that it will. This employment will not be productive, but the Government should make a clear and concise announcement of what the exact basis of this scheme of free school books will be. We are about 18 months away from an election. We may be closer, as far as that goes, if the Government is held in as high esteem as it thinks it is.

The Hon. D. H. L. Banfield: Anyway, it is closer than it was 18 months ago.

The Hon. L. R. HART: Let us be realistic and say we are 18 months away from an election. What will the Government promise the electors at the next election?

The Hon. A. J. Shard: Wait and see!

The Hon. L. R. HART: "Wait and see!"

The Hon. D. H. L. Banfield: We are not awaiting the result of the computer.

The Hon. L. R. HART: It will be an interesting exercise to "wait and see". We are still waiting to see how the Government will carry out the promises made at the last election. We are still waiting to see how some of them will be put into operation because, each time the Government is questioned about how long it will be before a certain project is to be proceeded with, it says, "Of course, this depends on the financial situation."

The Hon. D. H. L. Banfield: You have just deplored the issuing of free school books, and that was in the promises.

The Hon. L. R. HART: It is still a promise.

The Hon. D. H. L. Banfield: And well on the way.

The Hon. L. R. HART: It will be interesting to see whether this promise will be carried out by the next election.

The Hon. Sir Arthur Rymill: And at whose expense.

The Hon. L. R. HART: At whose expense, of course; this is a very vexed question.

The Hon. D. H. L. Banfield: You are only jealous because you cannot do anything about it.

The Hon. L. R. HART: We know it is easy to make promises and that taxation must increase as time goes on if we expect to receive these extra privileges, but only one person can foot the bill—the taxpayer himself. Is the taxpayer prepared to be taxed to provide these privileges? I suppose they are privileges.

The Hon. Sir Arthur Rymill: Or possibly the rest of the education grant.

The Hon. L. R. HART: It is not much use increasing the education grant, because we have some problems of the matching money. It is little use the Commonwealth Government making more money available unless the States can take advantage of it. It was heartening to read over the weekend that the present South Australian Government was able to match the additional grant of money provided by the Commonwealth Government.

The Hon. M. B. Dawkins: Quite a change!

The Hon. L. R. HART: It is all very well to have all these sit-ins and teach-ins and all the other gimmicks being put forward, and requests to the Commonwealth Government to provide more money for education, but let us be realistic about this. Let us get these requests in realistic terms and let it be said that we are asking the Commonwealth Government to increase taxation so that more money can be provided for education and other purposes—for that is what it boils down to. The Commonwealth Government can obtain this money by two methods only. One is by curtailment of expenditure in one field to provide extra money in another. In what field should the Commonwealth Government curtail its expenditure? Do we suggest it should do so in respect of the defence vote? No-one with any sense of responsibility would expect the Commonwealth Government to decrease its defence vote at the present time.



The Hon. D. H. L. Banfield: But it might be able to place some more orders inside instead of outside Australia.

The Hon. L. R. HART: That will lead me to an interesting point in a moment, but I do not want to be sidetracked by the honourable member. I am trying to keep my speech orderly. In due course the honourable member will have ample opportunity of making a speech himself; that is, if he can get permission.

The Hon. Sir Lyell McEwin: Don't worry, the honourable member can't wait!

The Hon. D. H. L. Banfield: I am expecting a telegram within a fortnight, so I should be all right.

The Hon. L. R. HART: I do not want to be critical of the present Administration all the time—

The Hon. A. J. Shard: The honourable member could not be otherwise; it is not in his makeup to be!

The Hon. L. R. HART: I have learnt in a very hard school. I came into this Council when the present Government was in Opposition and, being keen to learn, I took note of the tactics that its members employed. If a little of those tactics has rubbed off on me, I cannot be blamed. It is only natural that these things should be handled as the opportunity occurs. I am prepared to accept that this is the way of Government; nevertheless, I wish to offer a few suggestions to the present Government as to how it might get this State back on an even keel; how it might get the State back into the realms of prosperity.

It may be *sub judice* at present to refer to transport or the railways because a Royal Commission is sitting and inquiring into all aspects of transport. However, I should like to say a few words concerning the railways. They have served South Australia well in recent years and have played a significant part in the development of the State; I have no doubt that they will continue to do so. I believe that as the years go by the railways will play an increasingly important part in the development of the State, but they will only be able to do this if they are efficient and able to compete with other forms of transport. I believe the railways, being a large department, may be difficult to administer, and for that reason I do not wish to be critical of the administration because I believe that they are well served by their top members of management at present.

The Hon. M. B. Dawkins: Do you think the Government should press for a standardized

railway down to Adelaide by way of Port Augusta and Whyalla?

The Hon. L. R. HART: I do not want to refer to such details now, but I would suggest that the railway authorities examine the question of efficiency. We are aware that a public relations officer was appointed to the Aborigines Department for the purpose of publicizing that department and the work it carried out and that in due course public relations officers were transferred to the Premier's Department for the purpose of attracting new industries to this State. I do not wish to delve into their success or lack of success in that direction, but I make the suggestion that the railways should investigate the matter of employing a public relations officer for publicity purposes. Examination could also be made to see whether the railways were able to compete successfully with other forms of transport and, if not able to do so, find out why that is so. If the railways are not being used today as they should be used, there must be a reason; let investigations be made to discover whether this department should be able to compete with other forms of transport; let us find out why people are not using the railways because, when such an investigation is made, it may be found that the railways probably do compete with road transport on an economic basis.

The Hon. A. F. Kneebone: What does the honourable member think that the Royal Commission on Transport is doing?

The Hon. L. R. HART: I am wondering what the Commission is doing in relation to this, and it will be interesting to see its report. We are waiting for that report; but how long shall we have to wait? If I were asked to make a calculation, I should say that we would receive the report just before the next election; that is, before any recommendations could be put into operation. If the Minister can advise me otherwise, I shall be happy to listen to him. The railways have an important part to play in this State and it is essential that we find out whether they are being run efficiently. I am not suggesting we should engage a team of efficiency experts to investigate the railways but I suggest that the department is big enough to have its own experts and make these investigations.

The Hon. Sir Norman Jude: The Minister has the necessary power today.

The Hon. L. R. HART: The Minister probably has the power, but it would be necessary for him to have a very strong character when dealing with the Railways Commissioner because the Commissioner operates under a

separate Act of Parliament and the Minister is probably not in a position to dictate to him.

The Hon. D. H. L. Banfield: He is not a dictator; that was under the last regime.

The Hon. Sir Norman Jude: He has sufficient power now.

The Hon. L. R. HART: We have not seen much evidence of it. It is interesting to read some of the reports in *Hansard* of previous years regarding the railways. I am a keen student of Parliamentary procedure, and I have checked *Hansard* of previous years to try to find out members' opinions. When speaking to the Appropriation Bill (No. 2) on page 1301 of 1962 *Hansard* the late Mr. Bardolph had this to say about the railways:

We find that in South Australia and the other States road transport is making great inroads into railway undertakings. Until recently the East-West railway was not a paying project, but by the efforts of the workers and the administration this line is now a paying proposition, owing to the good returns on the mileage travelled. No effort has been made by the South Australian Railways Department to compete against road transport.

It should be noted that the comments were from a member of the Labor Party. He continued:

I may be told that this is not a fact. I qualify that by saying that perhaps very little effort has been made. In other States we find that the railways are out to compete with road transport. . . . The railways should be put on a business basis. They should go out in competition with those who are attempting to thwart the success of our railway system by competing with motor transport on our roads. . . .

That was what a member of the present Government Party said in 1962.

The Hon. D. H. L. Banfield: He was talking about the previous Government.

The Hon. L. R. HART: Earlier today we heard an honourable member mentioning what happened in 1952; I believe it was the Minister of Labour and Industry quoting what the Labor Party tried to do in 1952. That was going back to 1952, which is history—I am going back only to 1962, which is not very long ago. The late Mr. Bardolph was a most responsible member of the Labor Party and one whom I held in a great deal of esteem. I do not doubt that he was sponsoring the views of his Party, because in the Labor Party members do not sponsor their own views.

The Hon. A. J. Shard: Who said that? The honourable member does not know what day it is!

The Hon. C. R. Story: If you have time, I shall turn up what the Chief Secretary said.

The Hon. L. R. HART: Yes. Actually, I was not expecting to be speaking to this Bill today.

The Hon. D. H. L. Banfield: You have time for your instructions.

The Hon. A. J. Shard: He got a late telegram!

The Hon. L. R. HART: I am thoroughly enjoying the exercise.

The Hon. D. H. L. Banfield: We are, too.

The Hon. L. R. HART: The Railways Department is important and it should investigate the possibility of appointing a team of public relations officers to "sell" the department to the public. Yesterday I asked a question about the Barossa water district. Doubtless, I shall receive in due course an answer that will probably give me the future plans and tell me that they will be put into operation when funds are available. However, I was investigating that water district when the previous Government was in office and I knew that plans to improve the water supply in the district had been drawn up. The present Government has been in office for nearly two years.

The Hon. A. J. Shard: It was 18 months before.

The Hon. C. R. Story: It seems longer.

The Hon. L. R. HART: I shall be interested in the answer I get, because this productive part of South Australia will stagnate and there will be no increased production unless there is an improvement in the water supply. The Government should recognize that it cannot increase the productivity and wealth of the State without adequate water supply. The previous Government had a particularly good record in regard to water supply. I understand that about 90 per cent of the people of the State received reticulated water. That may not be the position now, because the population has increased and, until we get to the position where 90 per cent availability is maintained, we will not be progressing. How will we balance our Budget if we continue to go backwards?

The Bolivar sewage works, which is in an area that I know well, is another matter that interests me. I have seen the report about these works that is being printed at present and the contents rather perturb me. I understand that the recommendations will never be put into operation because the overhead costs are so high that to use the effluent in the manner that has been suggested will not be economical. I suggest that the Government ask the committee to examine the matter again in order to try to find a means by which this effluent

can be used economically, because South Australia is desperately short of water.

In many areas within a reasonable distance of the works, a vast amount of dry country could be used if the effluent could be conveyed to the area. Let the people who want to use the water make some contribution to the financing of the scheme. In terms of the scheme recommended, the effluent will be used on a system of 90-acre farms owned by the Government, which will have to acquire land, re-organize the area and set up the farms. These farms are to be leased to the occupants at a certain rental. However, the overhead costs are so high that only limited forms of farming could be engaged in and it is questionable whether markets could be found for the resulting production. When the present Government was in Opposition, it offered much criticism about decentralization and members said that it was merely a matter of directing that an industry set itself up in a certain area, and that industry would prosper.

The Hon. A. J. Shard: Could you find the record of that remark? I don't think that is factual.

The Hon. L. R. HART: I think I can get the inference.

The Hon. A. J. Shard: You can get the inference, but you find the record. I do not think that remark was ever made.

The Hon. L. R. HART: One infers these things.

The Hon. A. J. Shard: And you are inferring a lot today.

The Hon. L. R. HART: I am only inferring that the Labor Party at present has probably come to realize the difficulty in setting up industries in country areas.

The Hon. A. J. Shard: I don't think what you said was ever said in that way.

The Hon. Sir Norman Jude: You read the report of the committee.

The Hon. L. R. HART: I assume that the Chief Secretary is admitting that there are difficulties.

The Hon. A. J. Shard: I am saying that what you have said was never said.

The Hon. L. R. HART: The Chief Secretary is admitting that there are difficulties in decentralizing industry. We all know that industry can be decentralized when the raw product is available in an area and we all realize that, if an industry is subsidized, it can be set up in a particular area. However, basic features must be available. For instance, an export industry requires a deep sea port and a processing industry requires raw material.

It is important that the market for the product be close to the location of the industry.

This problem has faced South Australia not only in relation to decentralized industry but in relation to all industries. The State has been able to produce many products, not because the raw materials have been close at hand or because the consuming market has been in close proximity, but because we have been able to so contain our costs as to cover the freight charges. However, those days are disappearing. The position in this State now (and this is shown in most of the Bills presented to us) is that we are given as a reason for increased taxation that certain taxes apply in other States. We will soon tax ourselves out of the markets we now enjoy, and this will apply not only to industries in the metropolitan area but also to decentralized industries. The grapegrowing industry on the River Murray, instead of processing its grapes in the district, thinks it will be preferable to shift the industry into New South Wales or Victoria, which are nearer to the consuming centres. I know that the present Government is placing much faith in the prospects of having a gas pipeline from Central Australia to the industrial areas of this State, but the question of costs will jeopardize the possibility that this pipeline will ever come into this State. The Government is making frantic efforts to obtain cheap money to build this pipeline, and I commend it for that.

The Hon. A. J. Shard: Hurrah! We have done the right thing at last!

The Hon. L. R. HART: I am prepared to give credit where it is due. However, we must realize that cheap money is only subsidized money: every \$1 that is lent must be borrowed from somebody. If the Commonwealth Government is prepared to provide the State Government with some cheap money, the people who will subsidize this are the electors all over the Commonwealth. Therefore, it will be a subsidized loan to the Government, so I believe the Government should endeavour to keep costs at the lowest possible level. Once we get the gas here (if we ever do) no doubt we shall have cheaper electricity—or I hope we shall. The previous Government had the very good record that not once in its term of office was the cost of electricity increased.

The Hon. A. J. Shard: Who helped the Government to do that?

The Hon. L. R. HART: On several occasions the cost was decreased. I hope the present Government, too, will be able to maintain the low price of electricity. If the gas

pipeline ever reaches here, I hope that the cost of electricity will be decreased. Of course, we must recognize that South Australia is not the only State that has natural gas resources. Victoria, too, has a supply of gas available, and it is closer to Victoria's industrial area than our resources are to Adelaide.

The Hon. A. J. Shard: That is not factual, according to the reports. Every report I have read shows that Gidgealpa is closer to Adelaide than the Victorian supplies are to Melbourne.

The Hon. L. R. HART: I will accept the explanation, but this is not the only State that will enjoy this benefit, and we shall probably be behind the other States.

The Hon. Sir Lyell McEwin: There are even cheaper fuels now, aren't there?

The Hon. L. R. HART: Yes, the question will be whether gas will be the cheapest fuel. Probably other sources of fuel will come to light in the next few years.

The Hon. A. J. Shard: It is nice to have it up our sleeves, though, isn't it?

The Hon. L. R. HART: It is. The Gidgealpa pipeline is dependent on proof that there is sufficient gas there and that the economics of the whole scheme are favourable. The Government cannot do very much about proving the field, except that it can continue boring in an endeavour to prove it. However, it can do a vast amount in containing costs in such a way that the scheme will be economical. I trust that the Government will be able to do this and that the gas will be available to this State in due course.

Another problem that caused concern to the previous Government and is causing concern to the present Government is the considerable turnover of staff in the Public Service. There must be a reason why this turnover exists. Probably, if a public servant wishes to obtain promotion, he endeavours to go that extra mile and do perhaps a little more than 100c worth of work for \$1 of pay, but this type of thing should be pursued only to a certain degree. We should not expect public servants, any more than other people, to put in any great amount of unpaid overtime. If a public servant is required to work overtime, he should be paid for it, the same as every other person is. If this is why the Public Service is losing some of its best material to private industry and other Public Services, I believe it should be looked at. The Agriculture Department is no exception in relation to this. At present there

are numerous vacancies in that department that cannot be filled. Why is this? Is the remuneration not sufficient? Is there better remuneration and are there better conditions to be obtained outside? If there are, let us look at the position, because no State can afford to lose such valuable officers. We recognize that we have some of the best public servants in the Commonwealth. Probably this is recognized by other States, and that is why they are attracting these officers from us. I suggest to the Government that it investigate the reasons why there is dissatisfaction in the Public Service.

I believe the electors of this State are beginning to realize the difference between a Liberal Government and a Labor Government. This State had a Liberal Government for so many years that the people knew no other form of Government. The Australian is a great person in suggesting that the other fellow be given a go. The people were prepared to let the Labor Party have a go. They thought it should not be denied the opportunity to form a Government, and they said, "We have never known a Labor Government. Probably they can do as well, or even better", but the amount of dissatisfaction over this Government is such that has never been experienced before.

The Hon. M. B. Dawkins: They have been enlightened now!

The Hon. L. R. HART: That is so, but they are in the net. As time goes on, the present Government by its actions will not endear itself to the people of South Australia. The people are becoming suspicious.

The Hon. A. J. Shard: You are praying for that every night.

The Hon. L. R. HART: Yes.

The Hon. A. J. Shard: You are not doing too well, either, I can tell you. That is your dearest wish.

The Hon. L. R. HART: The Chief Secretary says he mixes in certain circles. I, too, mix with all types of people, people who are being affected by the legislation of the present Government, people who are being required to foot the bill for the mismanagement of this Government. If we had an election at any time now, the people of South Australia would set out to rectify what they did, much to their discomfort, 18 months ago. It was suggested by the Hon. Mr. DeGaris when we were discussing the Budget that we must inevitably tie it in with the Loan Estimates. He set out in his speech to do so. During my speech on the Loan Estimates I touched on the question of

agricultural extension workers. This point cannot be stressed too strongly. That is probably one of the reasons why today we are losing some of our personnel from the Agriculture Department because they are being attracted away by the Commonwealth Scientific and Industrial Research Organization and other bodies that are delving into pure research. Until some of the results of this pure research can be applied in this State, we shall not see the advancement in agriculture that we should. This is another matter that I suggest the Government should look at. I could say much more but we do not want to delay unduly the passage of this Bill; so it is with some concern that I support the second reading.

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

#### CROWN LANDS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 11. Page 2148.)

The Hon. R. C. DeGARIS (Southern): I admit that I am not fully prepared to speak to this amending Bill, which was introduced only yesterday. I understand most of the Bill from the second reading explanation, but I spent about two hours trying to follow the map on the display board. I think the Minister appreciates the fact that honourable members here like to do their homework completely. Although this is a small Bill, to understand thoroughly its implications is a long job. I am sure the Minister will agree with me on that. I think I am reasonably clear on the Bill's provisions, but I should like to make some reservations about them. I will complete my homework on the Bill tonight and I reserve the right to have something further to say in the Committee stage.

The first object of the Bill is to increase the unimproved value that governs the limitation of holdings for allotment of Crown lands and to increase the existing value under which transfer, subletting or surrender for conversion to other tenure may be permitted. Since the recent large rise in the land tax assessment, the previous position in regard to the limitation on the holding for allotment of land or the surrender for conversion or the transfer of land has been disturbed. In this Council the Hon. Mr. Gilfillan has on two or three occasions drawn the Government's attention to the fact that this previous position has been disturbed. I think he pointed out that if it was not the Government's intention to amend the Act and lift the limitation he would introduce a private

member's Bill to lift that limitation on land that could be held, transferred or sublet.

I believe the lift from \$10,000 to \$15,000 in relation to the allotment of Crown lands and the lift from \$24,000 to \$36,000 in relation to the transfer of land are reasonable, and I approve the lifts in that limitation. I make one comment on this: I offer some criticism of the time lag between the rise in the land tax assessment and the raising of the limitation. The point should be realized by this and any other Government that may be in power when the quinquennial assessment comes round, that this time lag creates difficulties. Indeed, it may well cause some injustice.

This time lag in this case may indicate, of course, that the Government at the first offset did not have any intention of lifting the limitation. In 1950 the limitation on the transfer of leasehold land was standing at \$10,000; in 1955 it was \$14,000, and in 1960 it was \$24,000. Honourable members will notice that each of those years when the limitation was raised was a year when the quinquennial assessment took place; but although the quinquennial assessment took place in 1965, the alteration was not made until 1966, so in this case there is a time lag and I criticize the fact that this time lag has taken place. In the second reading explanation concerning the second proposal the Minister said:

The Land Board has examined the situation very closely and having regard to the higher unimproved values of land in certain parts of the State—in the lower and middle north, Yorke Peninsula, certain areas of the South-East, and lower Eyre Peninsula—has recommended that the limitation upon unimproved values for transfer, subletting and surrender for conversion of tenure, be increased from \$24,000 to \$36,000.

I approve of that increase in the limitation. The Minister continued:

An examination of the assessment shows this change to be necessary to ensure that landholders in the areas mentioned will be placed in a position approximating that which existed prior to the 1965 assessment. Although there will be some minor changes in the relative position of the landholders in these areas, the increase proposed should achieve the purpose for which it is designed.

Then the Minister went on and introduced a further limitation, and I quote from his second reading speech:

With recent advances in developmental and land use techniques, these areas have experienced rapid development with correspondingly marked and substantial increases in land values. Examples are readily available in the mid South-East areas of County Cardwell and parts of Eyre Peninsula, particularly in the

vicinity of Kimba and Wudinna, where the land tax assessment is considerably lower than prices realized in recent sales. It is quite clear that, if unimproved values included in the land tax assessment of 1965 were the only criteria of limitation, very extensive areas, upwards of 12,000 acres, could be aggregated. So, to overcome this difficulty, a new limitation is introduced in this amending Bill, a limitation on total area. The reason given for its introduction is that unimproved values in certain parts of the State are such that large areas up to 12,000 acres could be aggregated. The Minister continued in his second reading speech:

With the advances in developmental techniques, improved methods and installation of drainage, holdings of 4,000 acres in County Cardwell are considered to be generous living areas. They would have a potential carrying capacity of from 6,000 to 8,000 dry sheep, although the unimproved values shown in the land tax assessment would not in most cases exceed \$12,000.

If the figures given are accurate (that is, for this country with an unimproved value of about \$12,000 and capable with new developmental techniques of carrying 8,000 dry sheep) then it means that on the top limit of \$36,000 a property could have a potential carrying capacity of 24,000 sheep with that unimproved value. This, in my opinion, seems rather strange. Something must be wrong somewhere, because we are moving away from a principle that has been established over many years and suddenly find that this accepted principle does not quite fill the bill. I pose the question: Why? Perhaps the land tax assessment is so inaccurate as to warrant this new limitation, and I do not think that in this undeveloped country as it is at present an unimproved land value, according to the second reading speech, of about \$3 an acre is inaccurate, but it indicates that the unimproved values in other parts of the State are too high.

I know many areas in the South-East, completely undeveloped areas, that have a much higher unimproved value than \$3 an acre. It is expensive land to develop, and when developed would not have a carrying capacity of over two sheep an acre, and yet in other districts large areas of scrubland have comparatively low unimproved values. As I said before, I do not believe the unimproved values in these areas are wrong and, therefore, one can only assume that the land tax assessment is somehow not doing the job it is supposed to do. If this variation has occurred, and the limitation is necessary on an area basis, then

I submit that the land tax valuation is somewhere grossly wrong. Either these areas are not valued high enough or other areas are grossly over-valued.

I also point out that in these areas development is an extremely costly business. A large amount of capital is required to bring these holdings up to a carrying capacity of 1½ sheep an acre. In his second reading speech the Minister mentioned that the carrying capacity in County Cardwell was 1½ to two sheep, fully developed.

The Hon. C. R. Story: It was the land and not the sheep being fully developed.

The Hon. R. C. DeGARIS: Yes. I would say in some of this country where it is claimed to have a carrying capacity of two sheep an acre even the sheep would not be fully developed and at that rate from what I know of that country 1½ sheep would be the full carrying capacity. However, once again that cannot be stated definitely because improved techniques may lift the carrying capacity but, from what I have seen or heard, the figure of 1½ sheep an acre seems to be about right.

We know this Government, by way of policy, has refused to freehold land from leasehold in South Australia. In this Bill we have a further restriction being introduced, a limitation on the amount of land that can be held; that is, leasehold land. I issue a warning to the Government that, with its policy at present being followed, no land will be allowed to be freeholded and, with its introduction of further restrictions, the development of these areas may well be inhibited, and this can only react against the future wealth of this State. I dealt with that matter on a different scale yesterday in the debate on the Appropriation Bill, but I point out that developmental capital is important to this State and, if we are going to have legislation inhibiting that capital investment, then the whole of the State must suffer as a result of that policy. One has only to follow what has happened in land tenure in other parts of the world; indeed, one has only to look at certain parts of Australia to see where the land tenure system has inhibited essential development. I point out to the Government the danger of being too restrictive in these matters, although I do agree that some limitation is necessary. But whether a further limitation on area is in the best interests of all concerned remains to be seen and to me it is doubtful.

This new application will apply in most areas of the State; in the South-East and on Eyre Peninsula, and I have already pointed out

that I think the land tax assessment as applied in South Australia highlights the fact that there is something wrong with the assessment. The Bill also increases the limitation as far as allotment under any lease is concerned from \$10,000 to \$15,000 and of that I heartily approve. Reference is made in the Bill to Goyder's line. Those references are being removed from sections 31, 220 and 225 and a new concept is placed in the Crown Lands Act contained in the Eleventh Schedule. Clause 3 inserts a new paragraph (*jj*) in section 5, as follows:

by proclamation amend the Eleventh Schedule to this Act. Upon the making of any such proclamation the Eleventh Schedule shall be deemed to be amended to the extent specified.

Clause 5 of the principal Act deals with the power of the Governor, and the new Eleventh Schedule can be amended by proclamation. I should like the Minister to say whether this schedule can be added to and parts deleted from it by proclamation. I doubt that such a power of proclamation should be given: any alteration to the Eleventh Schedule should be made by Parliament. It is an extremely important schedule, having regard to the other provisions of the Bill.

Clause 4 amends section 31 and deals with the granting of leases and the limitations on such granting. It increases the limitation from \$10,000 to \$15,000, and I heartily approve of that. Section 31 is also being amended by striking out the words "outside Goyder's line of rainfall" in subsection (1) and including the words "situated outside of hundreds or situated in any of the hundreds set out in the Eleventh Schedule to this Act". This has reference to the hatched areas on the map on the board and certain lands outside hundreds are included.

Areas that were previously outside Goyder's line of rainfall are being brought within the scope of sections 31, 220 and 225 in connection with the number of sheep that may be run on a granted lease. However, I doubt that the power to alter by proclamation should be given.

The Hon. S. C. Bevan: That has been the practice for a long time. It can be done under section 225 (4).

The Hon. R. C. DeGARIS: I shall deal with that. Additions to or deletions from the Eleventh Schedule could affect the matter to which the Minister has referred. At present, these areas are not included and the position could be altered overnight by proclamation. I am not adamant but I consider that any amendment should be made by Parliament, not

by proclamation. Clause 5 amends section 220 and deals with conditions of surrender. The limitation is lifted from \$24,000 to \$36,000 and the following subsection is being included:

The area of the land to be included in the Perpetual Lease or Agreement together with the area of all other land held by the lessee or purchaser under any tenure shall not exceed four thousand acres even though the total unimproved value of all such lands does not exceed thirty-six thousand dollars, except where the land to be included in the Perpetual Lease or Agreement is, in the opinion of the Minister of Lands, suitable only for pastoral purposes or is situated outside of hundreds or situated in any of the hundreds set out in the Eleventh Schedule to this Act.;

This means that, where the land is suitable for pastoral purposes only, is outside hundreds or is dealt with in the Eleventh Schedule, the limitation of 4,000 acres will not apply. Again, this freedom from limitation could be altered overnight by proclamation and I make the point again that I previously made. Clause 6 amends section 225, which deals with transfers and the circumstances in which they may be allowed. Again, we see provision for an increase from \$24,000 to \$36,000.

A new subsection (2aa) is being included, dealing with a total area of 4,000 acres under any tenure. It includes the matters in the Eleventh Schedule and again these can be altered by proclamation. In section 225 the total area must not exceed 4,000 acres but, as the Minister has pointed out by interjection, 4,000 acres need not necessarily be a living area and there is a proviso in section 225 (4), as follows:

Notwithstanding anything in this section, the board may recommend, and the Commissioner may consent to, the transfer or subletting of any lands suitable only for pastoral purposes if the effect thereof will not be to increase the holding of the proposed transferee or sublessee under any tenure, to land which is capable of carrying more than 5,000 sheep . . . . .

The proviso allows more than 4,000 acres to be transferred if the land cannot carry more than 5,000 sheep or, outside the new proposal, 10,000 sheep. There is power to allow a larger area to be transferred. I still have doubts about an area limitation and there is something wrong when this is necessary when we have been using the land tax assessment for many years as a suitable way of limiting the amount of leasehold land that can be transferred.

I ask the Minister to clarify another matter. I think this Bill excludes certain lands in the Southern District (in the counties of Chandos and Buckingham) from these provisions. If that is so, I entirely agree with the principle,

as it would be unwise to place such a restriction on these lands. I should like the Minister to answer one or two questions on this matter. Can he inform the Council whether the lands hatched on the map are at present subject to a land tax assessment? If any of the lands are not subject to the land tax assessment because they are included in the Eleventh Schedule to this Bill, will they in future be included in the land tax assessment?

The Hon. S. C. Bevan: Those areas are excluded from this Bill.

The Hon. R. C. DeGARIS: That is so, but by proclamation they can be included at any time. If by proclamation they are included, will these lands, which are not at present subject to the land tax assessment, come under the Land Tax Act? Are the owners, if a holding is of more than 4,000 acres, required to divest themselves of land, particularly under annual licence and miscellaneous leases? Some people probably have 4,000 acres of freehold land and 3,000 acres of miscellaneous lease land. Will these people be required to divest themselves of their miscellaneous leases? I understand that the Government cannot very well force a person to divest himself of perpetual leasehold land, but I can see that under the Bill people may be forced to divest themselves of leases other than perpetual leases. I should like the Minister to say what objection there can be to Parliament's deciding when these areas included in the Eleventh Schedule will be brought under the Crown Lands Act.

I have warned the Minister that I have not done all my homework on this Bill, there being one or two points I do not completely understand, and I hope he will forgive me if I have made any mistakes. I should like to have answers to the questions I have asked. I support the second reading.

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

#### LOCAL GOVERNMENT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 11. Page 2149.)

The Hon. C. R. STORY (Midland): I support the Bill, and at the outset point out that I have done as much homework on this as I can. We have heard interesting speeches by members eminently qualified to deal with the subject, as they are sitting councillors, ex-councillors or ex-mayors. It appears to me that the principal object of the Bill is to assist the Minister in various aspects of administration. I do not

think that each clause necessarily comprises the whole Bill: some clauses are unrelated and can therefore be dealt with separately.

In his second reading explanation, the Minister gave some indication of the necessity for some of these amendments to the principal Act, and I can agree with him in relation to many of them. I know that local government in South Australia is, by and large, on a very high plane. I do not think any honourable member would say otherwise. However, for heaven's sake keep it as local government: do not make it a fifth wheel of Government, as I believe this is a most retrograde step. Our predecessors in their wisdom gave unto local government certain powers. If local government wishes to continue to have those powers, it must live up to its obligations and not in any way ask the Government to take it over any more than a State Government should in any circumstances ask the Commonwealth Government to take it over. If we do this in every sphere, we run a very good chance of being absorbed by the central Government.

Local government should be allowed to function as local government and not to become a department of the central Government. It has a history in this State older than the history of responsible Government, and in many cases it has been directly responsible for improvements in the central Government. There is a tendency, however, in more recent times for some areas to take the line of least resistance and put themselves too much on the bounty of Government. We must see to it as legislators that we do not do anything that unduly encourages the taking away of power from local government prepared to exercise the powers given to it under the Local Government Act, but at the same time it is our responsibility to ensure that the ratepayers are properly protected in every way by auditing and proper administration, and that they are granted sufficient moneys in proportion to the areas they cover. We should see to it in general that local government is encouraged along the right lines.

The Minister has told us on other occasions that he has had difficulty in dealing with some local government bodies, and I have heard another Minister in this place tell us that, too. It is often said (I think quite properly) that hard cases make bad laws and that the whole school should not be punished because one boy has thrown ink on the teacher's back. It is very much better, if we cannot seek out the boy who did it to deal with him, not to punish



the whole class. However, I am afraid that what we are attempting to do in this Bill is, to some degree, just that. The Minister is beginning to look apprehensive; he is getting his mouth set firmly against me, but he may be agreeably surprised when I have finished to find that I shall not be as difficult as I normally am about some of these matters. Clause 3 of the Bill deals with the auditors. It gets down to the specific point that:

The council shall pay to the auditor such remuneration as the Minister, on the recommendation of the Auditor-General, may fix.

This is an interesting point. The only thing I am a little upset about is that, as one who is involved in a small family company, I have not been able to get an auditor to work for me at the fees demanded by certain auditors employed to do local government work. When I look at the figures of the gross turnover and the rate revenue of some of these councils, I see that they are very much bigger than those of the company in which I am involved. These are the actual amounts paid by some councils last year. These figures are to be found at page 246 of the Auditor-General's report for the financial year ended June 30, 1966. There should be no confusion about this. These figures are not a guide to what councils should pay: they are merely a summary of what was actually paid by some councils up to June 30, 1965. The first category deals with very small councils, with a rate revenue of up to \$10,000. This would apply to one or two small councils, such as Quorn. In this case the lowest audit fee was \$56.20, and the highest was \$115.50, giving an average audit fee of \$88.70.

In the next category of councils, whose rate revenue was between \$10,001 and \$20,000, the lowest audit fee paid was \$31.50 and the highest \$144, with an average of \$60.70. In the next category of councils, with a rate revenue ranging between \$20,001 and \$30,000, one council was fortunate enough to secure the services of an auditor for \$21, the highest audit fee in that category being \$296, with an average of \$76.30. In the next category we are reaching the medium type of district council, with a rate revenue ranging between \$30,001 and \$100,000. This category would include municipalities and smaller outer metropolitan councils. The lowest audit fee for this category was \$23.10, while the highest was \$353.50, with an average of \$81.50. The last category would include most of the metropolitan councils, with a rate revenue of over \$100,000. In this case the lowest audit fee

paid was \$52.50 and the highest was \$540, with an average of \$158.10.

If the auditor, who under the Local Government Act must be a qualified accountant and must hold a local government certificate to audit books, will do these things for as low a fee as \$21 it indicates that he does not spend very many hours looking over the books of the council. I return to what I said at the beginning of my speech, that local government must take its responsibilities seriously if it is to be supported fully by its ratepayers. So I do not have any problem in supporting clause 3. The Hon. Mr. Hill has spoken at some length and very well on clause 4, as he is perfectly qualified to do. I understand that some of his amendments on our files will be acceptable to the Minister.

The Hon. S. C. Bevan: Only two on clause 4.

The Hon. C. R. STORY: Yes. The Minister is generously throwing out a sprat to catch a mackerel by saying that he will agree to those two amendments. Clause 5 is probably the kernel of the Bill. Most honourable members have at some stage during the passage of this Bill had representations from their own councils and from representatives from local government generally. I know, too, that the Municipal Association has had discussions with the Minister on some of these points. Clause 5 repeals and re-enacts section 295 of the principal Act. I will not read it and weary the Council with all these matters, but I want to say one or two things on this.

As I understand the present position, if the Minister has any complaints from the ratepayers (and, after all, the purpose of having an auditor is to protect the ratepayers) the course open to him is to ask the Auditor-General to investigate the position. If, on the other hand, the Auditor-General is making a snap inspection of a local government body and he finds some irregularity, he in turn reports to the Minister. My point is that it now appears that the Minister feels he needs additional assistance in his own department, in the form of inspectors who will carry out inspections of councils' accounts. This will apply to district councils as well as to municipalities. I understand, too, that the Auditor-General has carried out and is currently carrying out investigations for the Minister in certain councils.

The Auditor-General's Department is competent to carry out inspections and investigations into irregularities in local government, so I am sure it is competent to advise upon systems and accounting generally. It has a

good record in dealing with situations of which the general public know little, but that is part of the service given by the department. The Minister has told the Council, and it is well known, that he considers that in the Local Government Department he needs inspectors who can not only investigate (and I imagine these people are not so much investigating irregularities as such, but are investigating the systems employed and giving advice on certain methods to assist local government in its proper function)—

The Hon. C. M. Hill: Not so much on accounting.

The Hon. C. R. STORY: Would the honourable member say it was on systems?

The Hon. C. M. Hill: Yes.

The Hon. M. B. Dawkins: Does the honourable member think that these inspectors are necessary?

The Hon. C. R. STORY: That is a matter I want to hear more about from the Minister. If I thought that any Minister or department would grow into a great investigation service with large numbers of investigators employed to visit councils, whether necessary or not, and to pry into council affairs and interfere with them, I would not be happy. However, I do not have it in my mind that such is the case at present. I believe that one or two improvements could be made to the Bill; I do not see why the Minister should require clause 5, which repeals section 295 of the principal Act and re-enacts it as follows:

(1) The accounts and other records and procedures of any council shall be inspected from time to time by an officer or officers appointed by the Minister for the purpose.

Because the amendment uses the word "shall" it means that an inspector or a team of inspectors may have to set up a sort of milk round—

The Hon. S. C. Bevan: Would the honourable member like me to intimate that I will accept the word "may"?

The Hon. C. R. STORY: My old Scottish grandmother used to say "Never look a gift horse in the mouth." I certainly shall not look a gift horse in the mouth if the Minister is going to agree to the word "may". I am pleased about that.

The Hon. S. C. Bevan: I did not say I would agree to it; I merely said "Would the honourable member like me to intimate that I will accept the word "may"?"

The Hon. C. R. STORY: I thought the Minister had intimated he would accept it; I take back all those nice things that I said. I had the feeling that the Minister would accept an amendment along the lines suggested.

The only difference in the words "shall" and "may" is that instead of it being arbitrary for inspectors, like a man with a milk round, to start at point A and finish at point Z, they may, if there is good reason for doing so, enter a district council office and carry out an inspection. Surely no officer would want to interfere with a local government body functioning satisfactorily? If, on the other hand, the local government body requires assistance from experts (and I hope experts and not unqualified people will be appointed to advise councils in these matters) then I believe that such an officer could be of assistance. One of my fears has been overcome by the Minister hinting that he may make the small amendment suggested. I was frightened that he was going to say that he could not see his way clear to amend the matter, because it would then place the Minister and me in different camps, and it always hurts me terribly when that happens! Sub-clause (3) reads:

Any officer appointed to carry out inspections pursuant to subsection (1) of this section shall submit a report on his inspection to the Minister who shall supply a copy thereof to the Auditor-General.

Everything is going so well today that I believe if I had a bag of marbles I would be winning. I think that the Minister will agree with a suggested amendment in this matter because he, being fair-minded, will know what I am going to say. An elected head of a council should at least be aware, with the Auditor-General and the Minister, that something is wrong with his council. I think that after the word "Auditor-General" should be added words to the effect that the mayor or chairman of a council should also be notified of any inspection to be carried out and the result of such inspection. Clause 5 (4) reads:

The accounts of any council may be inspected from time to time by the Auditor-General or an officer or officers of his department and the Auditor-General or his officer or officers may at any time audit the said accounts. The Auditor-General or his officer or officers shall, in respect of the said accounts and the audit thereof, have all the powers conferred on the Auditor-General by the Audit Act, 1921-1959.

I think probably where the trouble arose was that under the old arrangement the Auditor-General had power to deal with local government bodies without any prodding. When the Act was amended previously, the words "district council" were specifically mentioned and it did not go any further. It has been assumed in many quarters that metropolitan municipalities were excluded from the provisions of the Local Government Act in this respect, and there

is nothing mythical about this because the Auditor-General may carry out, under the Audit Act, inspections of all local government bodies because they are recipients of public money. In order that the Act may work properly, I believe subclause (4) should remain as it is. I believe the Auditor-General should hold the initiative to investigate local government bodies where necessary and that he should not be tied down in any way by the Minister ordering him to do certain things. After all, the Auditor-General is above Ministerial direction and, in addition, he audits Ministers' books. The Auditor-General belongs to Parliament and, while the Minister may request that he carry out certain investigations, the Auditor-General does not come under the jurisdiction of the Minister of Local Government in this matter. The Minister is just as likely to have his department audited by the Auditor-General.

The Hon. S. C. Bevan: Have you been reading my notes?

The Hon. C. R. STORY: No, I should not presume to do that. However, if the Minister is thinking logically, I am sure he is on my wave length. I do not think we have any great worry about the provisions of subsection (5). I think the Hon. Mr. Hill has an amendment to clause 5. In clause 6, we may come to the parting of the ways.

The Hon. D. H. L. Banfield: Do you think you are wrong?

The Hon. C. R. STORY: I am not sure whether I am wrong but I have in mind, as I intend to say in connection with another Bill that will probably be debated later today, that when matters are being dealt with by committees of inquiry, it seems a pity to beat the gun, particularly when the committees have laboured for a long time. There are two committees dealing with local government in South Australia at present. The Local Government Act Revision Committee is likely to be sitting for some time. The Minister must have considered this Bill important, because he was averse to amending the Act while the committee was sitting.

I think I have gone a long way along the road to giving the Minister the power to deal with the immediate problems confronting him. However, I shall now refer to clause 6, which inserts the following new paragraphs in section 691:

- (a) prescribing accountancy and finance methods and systems and making their use by councils and by their officers compulsory;

(a1) prescribing books of accounts, forms and records and making their use by councils and by their officers compulsory;

(a2) prescribing the manner in which councils and their officers must use any prescribed books, forms, methods, records and systems and the period for which any book, form or record must be retained by the council;

I have not much objection about the retaining of records. However, no information has been presented about the form of the prescribed accountancy and finance methods. Again, I point out that we are dealing with local government and, if the ratepayers, the masters of local government, are given a true record of what has been happening and if the affairs of the council are satisfactory to the auditor, and in all probability satisfactory to the Auditor-General—

The Hon. C. M. Hill: He is to get a copy of the auditor's report.

The Hon. C. R. STORY: Yes, and he can peruse it if he wishes. If the functioning of a local government body is satisfactory to the ratepayers, the auditor and the Auditor-General (the people most interested), I do not see why everybody should be socialized into one mould and brought under a system yet to be worked out. I am particularly worried about the fact that I have not yet heard that a system has been evolved that can be examined by councils or on which they may seek advice.

The Local Government Accounting Committee is at present dealing with these problems. It has had the benefit of the advice of various accountants, clerks of councils and councillors and it will report to the Government in due course. We are being asked to pass a clause on which regulations in regard to this amendment will be framed. How squarely one can hang his hat depends on the framework. I do not think the Minister could give any information about the framework at present. Because of this and because the matter is still before the committee, I am not enamoured of making everyone come in.

I realize that, if someone asks for assistance, the inspectors may be able to put a system into operation or assist in putting one into operation. The word to be studied well is "compulsory". I am going to try my luck to the finish on this and ask the Minister to withdraw the clause and bring it back when he has the report of the Local Government Accounting Committee. I do not think I shall upset the Minister by saying this, because I think he realizes that it is not good to jump the gun.

The person who does so is usually put behind the line. We could well do without clause 6.

Its deletion will not affect the other powers that I think Parliament will grant to the Minister, with the simple amendments to which he says he will agree. I support the Bill up to clause 6 but I do not support that clause and would move for its deletion in the Committee stage. Apart from that, I support the Bill and consider that it is necessary to have provisions to deal clearly with the problems of ratepayers.

The Hon. JESSIE COOPER (Central No. 2): I support this Bill in general, but I admit that I find certain clauses distasteful. First, I believe that ideally Parliament should not interfere with local government. As the Hon. Mr. Story has said more simply than I, local Government is local government. Approaches have been made to me by members of local government in my district, and I believe that their objections are not idly or capriciously made. In my work in Central No. 2 District, I come into contact with many councils, particularly with town clerks, and I must say that I find them most capable men and punctilious officers.

I cannot see why there should be two sets of inspections of local government accounts. Surely only one department would be necessary to ensure that inspections were carried out, and surely this should be the duty of the Auditor-General's Department. If it is believed that the Auditor-General has not sufficient personnel to carry out comprehensive inspections, then it is obvious to me that it is his staff that should be increased. As it is, in clause 5 we are being asked to approve that the Minister be given power to appoint a man or men to check not only the accounts but records and procedures as well. Honourable members will note that this officer (or these officers) need have no special qualifications. The Bill does not say they shall be accountants and auditors; it merely provides that they shall be inspectors. In other words, we are being asked to allow the Minister to set up a special cadre within his department. In case any honourable member does not know what "cadre" means, the Concise Oxford Dictionary puts it clearly, as follows:

The permanent establishment of a unit forming the nucleus for expansion at need.

I think that is fair prophesy for the future. The Auditor-General, however, has the machinery set up already to do this work, with an increase of staff if an increase of work is now found necessary. Moreover, I remind honourable members that he is responsible to

Parliament and not to the Minister. However, the Minister has the final say: clause 5 (4) makes that quite clear. He can make up his own mind about whether he is going to act or not. As far as clause 6 is concerned, I consider that the report by the present Local Government Accounts Committee could have been brought down and referred to the Local Government Act Revision Committee, as the Hon. Mr. Story said, before this Bill was introduced. It would have been an act of common courtesy to give this committee an opportunity to comment, but the Government did not do this. I therefore do not feel inclined to vote in favour of clauses 5 or 6 unless suitable amendments are made. I am optimistic, however, about the situation regarding amendments. We know that the Minister is in a generous frame of mind this afternoon. Even the Hon. Mr. Story has recognized the approach of a gift horse, but I remind honourable members that one of my Roman ancestors (not my Scottish grandmother) also had a word to say about a horse (a wooden horse) when he said:

*Timeo Danaos et dona ferentes.*

This means, roughly, "Look out for the Greeks when they come with gifts"!

The Hon. S. C. BEVAN (Minister of Local Government): I do not desire to delay the Council by giving a lengthy reply, as I think most of the matters raised by honourable members can be dealt with in Committee. However, I should like to point out one or two things. It was found necessary to introduce this Bill in the form in which it was introduced. I know what has been going on ever since this Bill has been before this Chamber and why there have been some delays, and it appears that the main objection of the Municipal Association and its officers is that I did not consult them. Apparently they are taking exception to that. I appreciate that there are many occasions when such an approach is good from the point of view of public relations. Various aspects arise from time to time that cannot be foreseen, however, and it is not always practicable to go through these matters beforehand.

If I did not think this Bill was necessary, I should not have introduced it. Parliament will be adjourning on November 17 and, if this Bill does not pass through this Chamber and another place by that date, a considerable period will elapse before anything can be done with it. That is one reason why I did not consult the Municipal Association, and I have explained this to the association. Another Bill

with wide ramifications was introduced in another place last year that dealt with district councils, but nobody was consulted about that: it was hurriedly drafted and introduced. I said that I intended to introduce amendments to the Local Government Act to prevent a recurrence of what happened then. There was no outcry from councils then about not having been consulted, but because they have not been consulted on this occasion they have raised objections. As I have told representatives of the association, the councils that are doing the right thing (and there are many of them) have nothing to fear from this Bill. Only the councils that are not doing the right thing are objecting to the Bill.

It has been said outside this Chamber that an army of inspectors will be used, but in the first place I do not have the money available to employ the staff and in the second place this is far from the Government's intention. I have not the money available to employ even one additional officer. If this Bill is passed I shall have to rely on my present staff to make the inspections. There is no reason to believe that every day of the week inspectors will demand to make inspections.

The Auditor-General is in exactly the same position: he has not the necessary staff to carry out the extra inspections. I can only request him to make an inspection following a complaint; I cannot demand that he make an inspection. If he has an officer available, undoubtedly he will make the inspection. If an officer was not available, the inspection would have to wait.

The Hon. Sir Lyell McEwin: He can do it at any time on his own initiative.

The Hon. S. C. BEVAN: Yes, but how far does his authority go when he unearths an irregularity? What authority has the Auditor-General? We get a report from him from time to time. What authority has the Minister? He has absolutely none at all. Many things at the moment require rectifying, but the money is not available. I would not be able to put on extra staff, because I have not the money.

It is remarkable that objections are being raised outside this Chamber about having extra staff put on and extra inspectors running around, but these objectors do not disclose to us that they came to me and made representations forcibly that I should set up a separate Local Government Department in this State with its own efficient officers and all the technical staff necessary to be able to advise the councils on all matters relating to local

government, including drainage and engineering. This was strongly requested. However, it was rejected by Cabinet because the Government had not the money available to set up a separate Local Government Department. The objections can be adequately dealt with in the Committee stage. I thank honourable members for their attention to this Bill. Their opinions are weighty. This is all conducive to getting good results. A full investigation should be made into these matters so that we can all know the ramifications of such legislation when it comes before us.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Salaries, allowances, and commissions to mayor, chairman and officers."

The Hon. C. M. HILL: I move:

In new subsection (1a) after "such" to insert "minimum".

I have reason to believe that the Minister will accept this amendment. If that is so, I shall say nothing further.

The Hon. S. C. BEVAN (Minister of Local Government): This matter was mentioned in the course of the debate. I want now to correct a wrong impression created when Sir Norman Jude, in debating this Bill, mentioned Eyre Peninsula. His remarks have led to some concern on the part of the present auditor on Eyre Peninsula. Sir Norman was correct in saying that there was a problem there, but the auditor there at the time has relinquished many of his audits and the present auditor is most competent. He is concerned that some aspersion may be cast on his ability, but I am sure that Sir Norman had no intention of doing that: he did not know that the auditor had been changed. It could be assumed that an aspersion had been cast on the present auditor, but that was not intended. I take this opportunity of mentioning that. In the circumstances, I accept this amendment.

The Hon. Sir NORMAN JUDE: I thank the Minister for mentioning that. It is quite correct. He knows that I was referring to a general audit that took place two years ago on Eyre Peninsula when things were found not to be satisfactory. Action has been taken since then and, as the Minister says, a new auditor is now in charge on Eyre Peninsula. I want the Minister to know that I did not associate my remarks with any recent change on Eyre Peninsula.

Amendment carried; clause as amended passed.

Clause 4—"Payment of council moneys into bank."

The Hon. C. M. HILL moved:

In new subsection (3) to strike out "four" and insert "ten".

The Hon. S. C. BEVAN: I am still in a generous mood. In view of the changed value of money, I have no objection to this amendment.

Amendment carried.

The Hon. C. M. HILL moved:

In new subsection (4) to strike out "four" and insert "ten".

The Hon. S. C. BEVAN: I accept the amendment.

Amendment carried; clause as amended passed.

Clause 5—"Inspection of accounts."

The Hon. R. C. DeGARIS: I move:

In new section 295 (1) to strike out "shall" and insert "may".

This amendment does not appear on honourable members' files, but it is a minor one.

The Hon. Sir Arthur Rymill: No doubt the Minister will accept it as he is in a generous mood.

The Hon. R. C. DeGARIS: I do not know about that. The new subsection (1) will then read:

The accounts and other records and procedures of any council may be inspected from time to time by an officer or officers appointed by the Minister for the purpose.

The Hon. Sir Arthur Rymill: That is a very good amendment.

The Hon. R. C. DeGARIS: I will wait and see what the Minister has to say before I speak further on this amendment.

The Hon. S. C. BEVAN: Despite the fact that I have been accused earlier this afternoon of adopting Gestapo tactics, I accept the amendment.

Amendment carried.

The Hon. C. M. HILL: I move:

In subclause (3) after "Auditor-General" to insert "and to the Mayor or Chairman of the Council".

I think it would be in keeping with the spirit of the change which this clause is introducing (and which will enable the Minister, if he thinks fit, to send out an officer or officers to investigate or inspect local government accounting procedures) if a copy of the report were given to the chairman of the council concerned. This would maintain the satisfactory liaison that has always existed between the Minister and the vast number of councils; I emphasize the words "vast number". I have been reading the Auditor-General's report this after-

noon, and in it he mentions the problems encountered by the District Council of East Torrens. One of the problems dealt with the fact that some rate notices had not been sent out for some years. When I think of that example, I realize that if this change is introduced and if a copy of the report is sent to the chairman, then he in turn could make his own investigation. I hope the Minister will look favourably upon this amendment.

The Hon. S. C. BEVAN: With other members I have had the opportunity of examining these amendments, and the intention of the Bill is exactly as the amendment proposes, that is, that a copy of the report be sent to the mayor or chairman of the district council concerned. In the circumstances, I accept the amendment.

Amendment carried; clause as amended passed.

Clause 6—"Power of Governor to make regulations."

The Hon. S. C. BEVAN: Because of the comments made in connection with this clause (and in no circumstances do I subscribe to any of them) I ask that progress be reported and the Committee have leave to sit again.

Progress reported; Committee to sit again.

#### LICENSING ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 11. Page 2148.)

The Hon. Sir LYELL McEWIN (Leader of the Opposition): I rise to support the Bill but I do not propose to speak at length. To some people, local options are an important part of the licensing legislation; they are held every three years, being timed so that they do not occur during election years. A Royal Commission is at present investigating the Licensing Act and no doubt it will be reporting to Parliament either late this year or early next year. It has been deemed advisable (and I believe the Government has had requests) that local options not be held next year. This Bill merely delays the holding of any local option polls that could have been taken next February or March until the following year. In the circumstances it would be unwise to go to the expense of holding a local option poll, if requested, even though it will be disappointing to some people who have organized with a view to such a poll being held next year.

In view of the cost involved in establishing the Royal Commission on the Licensing Act and its operations during the current year, it would be unwise to duplicate that expense with the holding of a local option poll next year,

because such a poll could be upset by possible legislation in the coming session. In view of that, and even though this Bill could result in a local option poll being scheduled for an election year, I still consider that such action should be delayed for at least 12 months. I support the Bill.

The Hon. Sir ARTHUR RYMILL (Central No. 2): I also support the Bill for much the same reasons as those given by the honourable member who has just resumed his seat because it is only common sense that this should be done. It happens that the triennial period prescribed by the Licensing Act Amendment Act, 1954, for taking local option polls will occur next year. It has been forecast that the report of the Royal Commission will probably be available at that time, possibly earlier and possibly later. Whatever that report may contain, the question of local option polls is a very live issue before the Commission at present, as we have seen from the newspapers yesterday and this morning.

The Hon. A. J. Shard: And this afternoon.

The Hon. Sir ARTHUR RYMILL: Yes. It would not be proper for me to comment further than to say that the matter is in the hands of the Commission and there may or may not be an alteration. However, in view of the possibility of there being an alteration, it would be silly to proceed with the local option polls involving people in the waste of much expense and time when that waste can be avoided. I cannot see any other alternative, as a matter of common sense, but that these local option polls should be postponed, and I think 12 months is an appropriate period for the postponement, because it is almost a certainty that legislation will arise from the Commission's report.

The Hon. A. J. Shard: We should all be disappointed if it did not.

The Hon. Sir ARTHUR RYMILL: I should think so. I would not be surprised if the report involved a substantial alteration or repeal of these provisions, because the matter is a live one. I support the Bill, which is simple and which should have a speedy passage.

The Hon. C. R. STORY (Midland): I rise to register a protest on this measure. The Act was amended in, I think, 1954 and, on a three-year rotational basis, another poll will be due in 1967. I think we are flying kites by saying what the Commission will do. I do not think we are competent to look into the mind of the Royal Commissioner. Although newspaper reports may indicate certain things, we should not draw our own conclusions.

Some of my constituents will be gravely inconvenienced by the passage of this legislation, because they have waited for a long time to have decent drinking conditions in their areas. They have been denied these facilities because of distance. One or two cases of sly grogging have been before the courts in these places because no proper facilities were available.

The Hon. Sir Arthur Rymill: Not in your district?

The Hon. C. R. STORY: Yes. As a matter of fact, I come from what was the home of sly grogging in the early days. I come from an area quite unique in South Australia. It was, in terms of the Act, a prohibitionist area and the most amazing little shanty towns of sly groggers grew up. There were such places as the Do Drop Inn. Even today, a few miles from my home town, small areas are not provided for in the Licensing Act. They have not decent conditions and offences of sly grogging have been detected.

I abhor these things: I like to see things done in the open. The people in these areas have done much work to convince the residents of the districts that the case for these facilities is a good one. They have made the necessary financial arrangements to establish a club, but it appears that for at least 12 months they will be denied decent drinking conditions.

The Hon. Sir Arthur Rymill: That doesn't follow.

The Hon. A. J. Shard: You are off-beam.

The Hon. C. R. STORY: It follows as far as I am concerned.

The Hon. Sir Arthur Rymill: It is a *non sequitur*.

The Hon. C. R. STORY: It is a *non sequitur* if you like, but I think it is a take. In an area closer to home, the Para Hills and the Para Vista area, which is important to me and my colleagues, the people have worked hard to establish a club and they have got well on the way. However, they will be denied possibly (and, I think, probably) for another 12 months.

The Hon. Sir Arthur Rymill: No syrup at Lyrup.

The Hon. C. R. STORY: That is right. I think I should register a protest about this Bill. We should not depart from what we have established under the Licensing Act. I voice my opposition to this move.

The Hon. A. J. SHARD (Chief Secretary): We have had three speeches and the first two were very good up to a point. I sympathize with the Hon. Mr. Story in his difficulty. It is not often that he puts

the case for his constituents, one might say, so illogically. I have an interest in the matter, too. I like legalized drinking and do not like to break the law. I consider that, possibly, the people the honourable member is concerned about will gain what they want more quickly than if they were to conduct a local option poll this year. These matters take time to establish after local option polls are held and, if things go as I think they may, it is possible that the honourable member's constituents at Lyrup and Para Hills will be saying, "That is cheaper than the other way." I think we shall see dramatic changes in this State within 12 months.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Right to petition for poll."

The Hon. C. R. STORY: I liked the way the Chief Secretary assured us about this matter with such great gusto! However, I do not quite see how my constituents will benefit as a result of the passing of the Bill. Perhaps he knows something that is before the Commission that may benefit them ultimately, but they certainly will not benefit as a result of this Bill. They will be down the drain for 12 months, and that is why I oppose the Bill. I am not opposing anything the Commission may recommend, but I am worried that some people will have to wait for 12 months to get anything.

The Hon. L. R. HART: I question the value of the Bill, particularly in relation to bodies that have already raised the finance necessary to establish clubs. A licence could be granted at a local option poll and the facilities be in operation long before legislation was introduced following the report of the Royal Commission. We are not sure when that report will be available or when the Government will introduce a Bill. Even if a Bill is introduced, it will have to pass both Houses, so there may be a considerable delay. When legislation is passed, these bodies may still be denied the licences they seek. This Bill prejudices the attitude of Parliament to any legislation introduced as a result of the findings of the Royal Commission, and I view it with considerable concern.

Clause passed.

Title passed.

Bill read a third time and passed.

## ROWLAND FLAT WAR MEMORIAL HALL INCORPORATED BILL.

The Hon. A. J. SHARD (Chief Secretary) moved:

That a message be sent to the House of Assembly requesting that the Hon. B. H. Teusner, member of the House of Assembly, be permitted to attend and give evidence before the Select Committee of the Legislative Council on the Bill.

Motion carried.

## STATE LOTTERIES BILL.

Adjourned debate on second reading.

(Continued from October 11. Page 2154.)

The Hon. M. B. DAWKINS (Midland): Honourable members are aware that at a referendum held almost 12 months ago a very large majority of people favoured a lottery. I think the actual figures were 71 per cent in favour and 29 per cent against. These percentages did not apply to all electorates, as the voting varied a great deal, but I believe we must take the figures into account and recognize the overall result. Yesterday the Hon. Sir Lyell McEwin referred to a Commission appointed about 30 years ago that went into this matter and visited all States. He said he thought that it could accurately be said that three members of the Commission were in favour of lotteries prior to their going on the Commission and one was against, but that after visiting all the States, sifting all the evidence and considering the matter, these gentlemen brought in a unanimous report against the establishment of State lotteries.

I recognize the result of the referendum, but I cannot raise any enthusiasm for the establishment of State lotteries. I realize that this is the desire of the people in general, and of people in certain areas very much more than of people in others, as there were odd places where the referendum was not carried and a considerable number of people were against it. Although I recognize that the establishment of lotteries is the desire of the people as a whole, I cannot agree that it is necessarily a wise decision. We have heard from time to time, in favour of lotteries, the argument that hospitals and charities will benefit considerably but, in other States where lotteries have been established, badge days, such as we have, are held.

The Hon. L. R. Hart: Do you think hospitals will get very much from lotteries?

The Hon. M. B. DAWKINS: I am doubtful about that, because appeals and badge days are conducted in other States almost to the same



extent as they are conducted here. Clause 17 provides:

The Commission shall offer as prizes in any lottery conducted under this Act not less than sixty per centum of the value of the tickets offered for sale in that lottery.

Presumably, as the words "not less" are used, the Commission could offer more if it thought it desirable. Therefore, we know that at least 60 per cent of the value of the tickets will be used as prize money. I imagine that possibly 20 per cent or 25 per cent will be taken up in administration expenses and running the lottery, which will leave no more than 15 per cent or 20 per cent available for distribution to charities or hospitals. With reference to the query raised by my colleague, the Hon. Mr. Hart, I ask the Government whether this will mean that community and other hospitals will benefit to any considerable extent. Will the 15 or 20 per cent of the money to come from lotteries and which will be available to the Treasurer to put into a fund for distribution to charities in fact be in addition to the amounts of money at present made available from revenue for hospitals and hospital maintenance and expansion or will the lottery money take the place of the money at present coming from revenue? In asking this, I am assuming that the lotteries can be established and run successfully, although we know that, for example,

in Tasmania it has been found impracticable to run a lottery since the take-over by Victoria. I hope that the money we expect to be available for hospitals in the event of a lottery being successful will be in addition to the money now coming from revenue.

The Hon. A. J. Shard: The Treasurer has made a statement about that.

The Hon. M. B. DAWKINS: In that case, I hope this can be done. If the referendum had been held today, I do not know that the result would have been the same, because the people have been in a sagging economy now for some time and whether they are so interested in lotteries today as they were in a buoyant economy I do not know. Nevertheless, in view of the result of the referendum that was approved by a large majority of people, I recognize their wishes and the desire of the South Australian people.

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

#### DOG RACING CONTROL BILL.

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

#### ADJOURNMENT.

At 5.49 p.m. the Council adjourned until Thursday, October 13, at 2.15 p.m.