LEGISLATIVE COUNCIL

Wednesday, October 19, 1966.

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

QUESTIONS

COUNCIL VEHICLES.

The Hon. M. B. DAWKINS: Has the Minister of Roads and Local Government a reply to a question I asked on October 11 about the possible exemption of heavy council vehicles from road maintenance charges?

The Hon. S. C. BEVAN: Yes. The answer is as follows:

In 1964 the advice of the Crown Solicitor was sought respecting the liability of statutory and other bodies of a similar nature and he expressed the opinion that local government authorities were subject to the provisions of the Act. The First Schedule of the Act deals with exempted goods and not vehicles. The exempted goods are principally of a perishable nature and it is considered inadvisable to recommend the exemption of road-making materials, which would create a precedent and probably lead to many more requests for similar exemptions.

SPECIAL MAGISTRATES.

The Hon. F. J. POTTER: I understand the Chief Secretary has an answer to a question I asked him a few days ago about special magistrates.

The Hon. A. J. SHARD: Yes, and it is as follows:

It is felt advisable in what is a two-tier court system to maintain courts staffed by magistrates who are experienced legal practitioners. This matter has been discussed with the heads of the court departments and the Public Service Commissioner.

COMMONWEALTH GRANTS.

The Hon. L. R. HART: I ask leave to make a statement prior to asking a question of the Minister representing the Minister of Agriculture in another place.

Leave granted.

The Hon. L. R. HART: The Commonwealth Government has made available to the States the sum of $2,400,000 for what is termed the Commonwealth Extension Services Grant, the idea being to boost agricultural expansion in the States. South Australia's share of that amount was $255,000. The Minister of Agriculture has stated that $48,000 would be spent on the improvement of facilities and equipment at all research stations and on major capital works at Kybybolite, Parndana and Loxton research centres and that a further $28,000 had been provided for the appointment of additional research and extension officers, with $37,000 for equipment and expanded publications handled by the department's extension services branch. A further $32,000 was to be provided for the awarding of 24 additional cadetships. The figures leave a surplus of $90,000 in connection with South Australia's share. Will the Minister say whether this $90,000 has been spent on extension projects and, if so, will he inform this Council what those projects are?

The Hon. S. C. BEVAN: I will refer the question to my colleague, the Minister of Agriculture, and obtain a reply which I shall bring back later.

GRAIN RATES REGULATION.

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

(For wording of the motion, see page 2034.)

(Continued from October 12. Page 2194.)

The Hon. A. F. KNEEBONE (Minister of Transport): Before going into details of the reasons for increasing railway rates for the carriage of grain I desire to make some comments on the general principles of moving for the disallowance in this Council of regulations involving the Government's financial policy. Opposition to and defeat of some form of new taxing legislation is something which any Government must be prepared to face at any time. I consider, however, that opposition to and possible disallowance of regulations to increase charges made under long-standing legislation is a matter on which honourable members here should tread more carefully. This is an attempt to determine what this Government's financial policies will or will not be. It is the policy of Opposition members to keep charges for the carriage of grain by rail at a completely depressed level with the taxpayer as a whole heavily subsidizing (and I stress, "heavily subsidizing") these rates for the benefit of the primary producer. If it is the policy of this Government to bring these rates to more realistic levels after taking into account the wage and cost increases since the rates were last increased in 1960, I suggest that it would not be prudent for this Council to interfere with that policy.

Honourable members opposite frequently cry that we do not have to be the same as other States, that our problems are different from those of the other States. This is a cry that is always directed towards the sectional interest of those

they represent. They do not cry about the worker in the same manner. To give them a tranquillizer and to let them know that we are still to a large degree following their time-honoured custom, I inform this Council that the rates as increased are still generally substantially below those applying for the carriage of grain by rail in the other States.

The Hon. R. C. DeGaris: They have transport control.

The Hon. A. F. KNEEBONE: Any attempt by this Council to disallow this regulation or to agree to it in some modified form is ample proof of the determination of Opposition members to rule the Government from the Council and to force taxpayers as a whole to carry an unreasonable share of the primary producers' costs. I have a comparative table of the cost of carting grain in the various States and, because of its length, I ask leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

The Hon. A. F. KNEEBONE: From the table I quote the following rates for the information of honourable members:

Miles.	S.A.	Victoria.	N.S.W.	Queensland.		W.A.
				Not to a Port.	To a Port.	
	A ton.	A ton.	A ton.	A ton.	A ton.	A ton.
	$	$	$	$	$	$
20	1.22	1.65	1.40	2.45	1.95	2.15
240	6.16	7.25	8.90	11.80	9.00	6.25
500	8.08	9.80	11.55	18.35	13.72	8.50

Members on the other side are heard from time to time to contend that the Railways Department must start working on the lines of private enterprise and show a profit. I wonder how you make a profit when you are required to carry grain at completely uneconomical rates! Opposition members clearly want to have their cake and eat it too. Their attitude demonstrates that they have no understanding of railway operations or finances. Their interest lies solely in getting as much as possible at as little cost as possible from the Railways Department. As a result of this attitude, every taxpayer is expected to carry the burden. I am reminded of something the Hon. Mr. Kemp said in this Chamber on February 2 of this year during the debate on the Road and Railway Transport Act Amendment Bill. I quote from page 3707 of *Hansard*:

> Because most of us have an agricultural background, we have overstressed the effect that this Bill will have on the agricultural community.

Honourable members have done some overstressing on this regulation, and no doubt this will be continued. Let me make it clear that this Government earnestly desires to keep rail freight rates as low as feasibly possible. However, when costs increase, consideration must be given to increasing charges. It is not sectional, as fares and other freight rates have been increased. This time, however, the primary producer will contribute, but only a reasonable contribution. His rate, as compared with rates in other States, is more than favourable.

In answer to some of the Hon. Mr. Hart's criticisms, I point out that the reason for not making a flat rate of increase in the grain rate was because the old taper was far too flat and not in accordance with current practices. No outside organization was consulted on the proposed regulation and, indeed, it would have been inappropriate to do so. In fact, it has not been the practice to consult outside organizations in the past.

The honourable member referred also to the fact that most of the country in South Australia in the long-haul areas was what might be termed "fringe and dry country". Departmental calculations based on tonnages handled in 1964-65 show that, of the 270,000 tons of grain hauled more than 130 miles, 95,000 tons was from the Pinnaroo and south lines, neither of which areas could be described as "fringe and dry country". In addition to this 95,000 tons, I point out that a substantial portion of the long haul grain comprises barley consigned from the Wallaroo-Moonta area to Victoria. This grain, too, would not emanate from a dry or marginal area. He also stated that, if the increase for haulage over 135 miles was reduced to a flat 25 per cent instead of being as high as 30 per cent or 33⅓ per cent, the cost to the Government would be only $24,000. Departmental calculations suggest that the figure would be $73,000—an amount that the Government is not prepared to surrender. The Hon. Mr. Gilfillan stated:

> It is admitted that in the fixing of freight rates some concession is given to long distance haulage on a mileage basis, but this is an accepted principle of haulage by rail, road or any other means because much of the cost of transport results from the loss of time and the turnaround of vehicles or rollingstock at each end.

RATES FOR CARRIAGE OF WHEAT

Miles	South Australian Railways				Victoria		N.S.W.	Qld.		W.A.
	Old rates A ton Differential		New rates A ton Differential		Old rate	New rate	A ton	Not to a port	To a port Truck Loads	A ton
	$	A bushell Cents	$	A bushell Cents	$	$	$	A ton $	A ton $	$
20	1.20	3.802	1.22	3.856	1.50	1.65	1.40	2.45	1.95	2.15
40	2.12	6.267	2.20	6.481	2.60	2.85	2.75	3.68	2.65	3.10
60	2.82	8.177	2.99	8.632	3.40	3.75	3.70	5.10	3.72	3.75
80	3.30	9.462	3.60	10.266	4.20	4.60	4.55	6.30	4.58	4.00
100	3.58	10.212	4.25	12.007	4.70	5.15	5.40	7.15	5.18	4.30
120	3.82	10.855	4.65	13.079	5.10	5.60	6.05	7.78	5.90	4.55
140	4.02	11.391	5.11	14.311	5.40	5.95	6.55	8.45	6.52	4.85
160	4.15	11.775	5.45	15.257	5.60	6.15	7.20	9.22	7.12	5.15
180	4.25	12.043	5.68	15.873	5.90	6.50	7.75	10.10	7.92	5.40
200	4.35	12.311	5.83	16.275	6.20	6.80	8.35	10.62	8.40	5.70
220	4.52	12.766	6.01	16.757	6.40	7.05	8.70	11.30	8.68	5.95
240	4.62	13.034	6.16	17.159	6.60	7.25	8.90	11.80	9.00	6.25
260	4.75	13.382	6.33	17.615	6.90	7.60	9.20	12.40	9.30	6.50
280	4.92	13.838	6.52	18.123	7.00	7.70	9.55	12.82	9.65	6.80
300	5.02	14.106	6.69	18.579	7.20	7.90	9.75	13.15	9.95	7.05
320	5.12	14.373	6.86	19.034	7.40	8.15	10.05	13.45	10.20	7.20
340	5.30	14.856	7.00	19,409	7.50	8.25	10.25	13.92	10.58	7.35
360	5.38	15.070	7.14	19,784	7.80	8.60	10.50	14.55	11.08	7.45
380	5.48	15.338	7.30	20.213	7.90	8.70	10.70	15.00	11.40	7.60
400	5.55	15.525	7.40	20.481	8.10	8.90	10.90	15.60	11.68	7.75
420	5.65	15.793	7.52	20.804	8.30	9.15	11.00	16.05	12.25	7.90
440	5.82	16.248	7.68	21.231	8.40	9.25	11.25	16.60	12.58	8.05
460	5.90	16.463	7.81	21.579	8.60	9.45	11.35	17.25	12.88	8.20
480	6.00	16.731	7.95	21.954	8.80	9.70	11.45	17.78	13.30	8.35
500	6.08	16.945	8.08	22.302	8.90	9.80	11.55	18.35	13.72	8.50

Differential includes tarps and destination shunt of 18 cents.

Rate a ton does not include tarps or destination shunt.

Tarp. charges—0-50 miles ..... $0.75 = 0.106 cents a bushell.

51-150 miles ..... $1.00 = 0.141 cents a bushell.

Over 151 miles..... $1.25 = 0.177 cents a bushell.

Let me remind honourable members that this principle is retained in the new rates. For example, for a haul of 100 miles the rate is 4.25c a ton mile, whereas for 200 miles the rate drops to 2.91c and for 300 miles to 2.23c a ton mile. I have a table showing earnings from the carriage of wheat and the earnings a bushel, together with particulars of the average hourly wage rate of daily and weekly paid employees of the Railways Department. The table covers the last 10 years and, because of its length, I ask leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

SOUTH AUSTRALIAN RAILWAYS—TABLE OF WHEAT EARNINGS AND AVERAGE HOURLY WAGES

Year	Tonnage Carried	Revenue	Earnings a Ton	Rate a Bushel	Index	Average Hourly Wage Daily and Weekly Paid	Index
		$	$	(Cents)		(Cents)	
1956-57	545,868	1,649,374	3.022	8.089	100	83.657	100
1957-58	420,423	1,292,052	3.074	8.223	102	82.724	99
1958-59	489,343	1,465,286	3.010	8.063	100	86.906	104
1959-60	389,991	1,204,650	3.088	8.277	102	90.583	108
*1960-61	631,206	2,096,066	3.320	8.893	110	92.266	110
1961-62	761,836	2,506,876	3.291	8.813	109	95.206	114
1962-63	582,767	1,999,540	3.431	9.188	114	98.480	118
1963-64	965,930	3,262,634	3.378	9.054	112	101.441	121
1964-65	780,918	2,653,604	3.398	9.107	113	113.232	135
1965-66	668,352	2,289,303	3.425	9.188	114	113.998	136

*Freight rate increased

The Hon. R. C. DeGaris: Are there any figures of passenger traffic to go with it?

The Hon. A. F. KNEEBONE: We are talking only of freight rates.

The Hon. R. C. DeGaris: You said they were subsidized.

The Hon. A. F. KNEEBONE: The table shows that in the last 10 years earnings a bushel have increased by 14 per cent, while for the same period the average hourly wage rate has increased by 36 per cent. In the past the Railways Department has been able, to some degree, to absorb increased costs because of the savings associated with dieselization. As I warned in this Council earlier this year during the debate on another matter, dieselization is for all practical purposes complete and any future cost rises cannot be absorbed. They have to result in either increased charges or a larger deficit. In addition, the basic wage increase of $2 a week operating from July of this year and a more recent salary increase for one section of railway employees referred to yesterday by the Hon. Mr. Potter will substantially add to railway costs.

The information I have given today should clearly indicate to honourable members that it is necessary to increase charges for the carriage of grain by rail. It is not an action taken lightly by the Government, the charges are not unreasonable in the light of present-day costs and, as I have said before, they compare more than favourably with similar charges in the other States. I oppose the motion.

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

DOG-RACING CONTROL BILL.

Second reading.

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

That this Bill be now read a second time.

Its main purpose is to permit the sport of dog-racing in pursuit of a mechanical lure. At present this sport is made unlawful by the Coursing Restriction Act, 1927. The National Coursing Association and the Greyhound Racing Clubs of South Australia have formed a committee known as the Greyhound Racing Promotions Committee with a view to introducing to this State and promoting the sport of dog-racing with a mechanical lure and, if this Bill becomes law, it is then desired that dog-racing in this State should be conducted under and governed by strict rules and conditions similar to those operating in Victoria, New South Wales, Queensland and Tasmania, where the sport is very popular.

The National Coursing Assocation has made it known that it would welcome any legislation

that would enable dog-racing with a mechanical lure to be conducted in this State, as it provides a much safer and more efficient means of dog-racing than the present method of racing behind a pace-maker. I hope that honourable members will see fit to support this Bill as South Australia is the only State in which dog-racing is restricted. Honourable members are probably aware that there is a strong demand in the community for dog-racing facilities in the State, and this demand is growing rapidly as more migrants arrive. This demand indicates the extent of its popularity throughout the Commonwealth.

It has been asked whether the introduction of dog-racing with a mechanical lure will encourage the blooding of racing dogs to encourage them to race. The answer is definitely "No". In fact, although the Coursing Restriction Act operating in this State prohibits dog-racing with a mechanical lure, it is not unlawful to conduct dog-racing with a live quarry or lure. Dog-racing in this State is at present being conducted behind a pilot dog with a box of rabbits placed past the winning post but this practice will become unnecessary and will stop if this Bill becomes law. The followers of dog-racing in this State are anxious to stamp out all acts of cruelty connected with the sport and this measure not only will enable them to do so but will enable the sport to be conducted on safe and proper lines.

This Bill is quite simple and straightforward. Clause 2 repeals the Coursing Restriction Act. Clause 3 contains the necessary definitions. Clause 4 prohibits participation in the conduct of dog-racing unless such dog-racing is conducted by or on behalf of a licensed dog-racing club. Clause 5 deals with the granting and revocation by the Minister of licences to dog-racing clubs. I think the provisions of this clause are self-explanatory. Clause 6 enables the Minister to delegate his powers and functions under the legislation. Clause 7 empowers authorized persons (including members of the Police Force) to enter premises where any dog is being trained for the purpose of dog-racing or where dog-racing is conducted and take action to prevent the commission of any offence; it also provides the necessary sanctions against preventing or hindering such persons from exercising such powers. Clause 8 contains the necessary powers to make regulations complementary to the provisions in the Bill. Clause 9 contains the usual provision providing for the summary disposal of proceedings in respect of any offence. In supporting this Bill honourable members will be affording followers of the sport in this State an opportunity of enjoying the same social and recreational activities as are enjoyed by their counterparts in other States and countries. I commend the Bill to all honourable members. I should like to say again that it is a private member's Bill. A deputation from the National Coursing Association waited on me, as Chief Secretary. The Bill was handled in another place by Mr. McKee, as honourable members know, and I agreed that if it successfully passed in another place I would sponsor it here on behalf of that association.

The Hon. Sir Arthur Rymill: Why is it a private member's Bill and not a Government Bill?

The Hon. A. J. SHARD: It was introduced in another place by a private member. The Government did not want to introduce it. We think that social legislation is best promoted by a private member. I make it abundantly clear that I personally am not interested in dog-racing. As a youth my sum total of experience in this sport was confined to plumpton coursing meetings in Victoria, and in Hobart they had a programme of 12 or 15 races. I saw three of them and then went away. That shows how much it attracted me. I have seen one open coursing event in this State, and that is the sum total of the interest I have had in this sport. Unless I was invited to do something, I would not be a spectator at the meetings. I prefer other forms of sport.

The Hon. L. R. Hart: Yet you commend the Bill to honourable members!

The Hon. A. J. SHARD: You are always jumping to conclusions. I commend it for this reason—

The Hon. S. C. Bevan: If you lie down with dogs you will always get fleas.

The Hon. A. J. SHARD: I did it because I believe that everyone in the community has the right to follow his own particular sport; he should have the right to do it legally and on the same basis as the majority of people in Australia. It may be said at some time in the future that this Bill did not go far enough for the dog-racing people. I remind honourable members that many years ago that wonderful sport that I go to and appreciate—trotting—actually started through trotting clubs in a way similar to the way in which the dog-racing people want to start here. The trotting clubs started many years ago without any totalizators.

The Hon. Sir Arthur Rymill: How many members of your Party voted against this Bill in another place?

The Hon. A. J. SHARD: I could not tell you; I do not know how many voted.

The Hon. Sir Arthur Rymill: That is why I asked you why it was not a Government Bill.

The Hon. A. J. SHARD: I have three colleagues in this place. One has discussed it with me. He said, "I will stick with you." I do not know how the other two will vote.

The Hon. R. C. DeGaris: One has discussed it with you?

The Hon. A. J. SHARD: One honourable member has said that he will stick with me. That is the only vote I know that I have in the Council. I have not canvassed it.

The Hon. S. C. Bevan: If the Hon. Sir Arthur Rymill wants the information he can get it from *Hansard*.

The Hon. Sir Arthur Rymill: I guess the Chief Secretary can count on at least two other votes.

The Hon. A. J. SHARD: I would take a stab in the dark and say possibly four. If another honourable member in another place were here, it would be five; but he is not here. In the metropolitan area dog-racing is a very live question. I respectfully ask honourable members to give the Bill due consideration. Unless they have strong objections to it, I ask their support for this measure.

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

LONG SERVICE LEAVE BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 2320.)

The Hon. C. M. HILL (Central No. 2): First, I compliment the Hon. Mr. Potter upon his introduction of this measure, and the fact that he has introduced this Bill indicates the interest that he takes in industrial matters. It also indicates his eagerness to help the workers in this State by introducing such a measure which, I think, has the approval of employers. Its introduction proves the constructive part that the Hon. Mr. Potter is playing in this Parliament.

The Bill, as was explained, overcomes many of the problems connected with long service leave and seeks to establish the right to such leave after 15 years of service, the period of leave being 13 weeks. Also, in special circumstances, it gives *pro rata* leave after 10 years of service. The Bill also repeals the 1957 Act which, it would seem, was never particularly satisfactory. That Act gave an extra week's annual leave in the eighth year and in successive years after that eighth year.

The Bill overcomes the growing problem of the numerous and ever-increasing number of industrial agreements in existence and coming into existence in this State. It also tends to bring South Australia into conformity with other States; I think this is at least one matter on which the question of uniformity is particularly important because, with the exception of New South Wales (which I understand gives long service leave on a *pro rata* basis after five years' service) this measure will result in uniformity. As the Hon. Mr. Potter said in his second reading speech:

> If this Bill is accepted by the House it will mean that South Australia will have a Long Service Leave Act almost identical with every other State in the Commonwealth and with practically all State and Federal awards.

In the debate the Minister said that he proposed to move an amendment that long service leave be granted after 10 years' service and on a *pro rata* basis after five years' service. That, of course, was vastly different from the original proposal.

The Hon. S. C. Bevan: Not by us; our proposal has always been long service leave after 10 years' service. It is part of our policy.

The Hon. C. M. HILL: Yes, but I read with interest the Premier's policy speech on this matter and, although the 10 years' service was mentioned, no mention was made of *pro rata* leave after five years' service. Probably the Minister is going further than his own Party's platform as mentioned by the then Leader of the Opposition at the last election. Further than that, I detected a certain degree of hostility in the Minister's reply on this matter; a certain degree of hostility because a member of the Liberal and Country Party should deign to introduce a Bill that would benefit workers in this State.

The Hon. A. F. Kneebone: Not hostility—surprise.

The Hon. R. A. Geddes: Pleasure!

The Hon. C. M. HILL: The Minister has said that he was surprised, but there is no need for him to be surprised because, of course, the Liberal and Country League has always been interested in employees in this State. The Labor Party has no monopoly on that point.

The Hon. A. F. Kneebone: That is why one honourable member opposite was complaining about the fact that costs were rising because wages were going up!

The Hon. C. M. HILL: Consideration of all sections of the community is of prime importance to the L.C.L. Again I say the Minister's proposals for his amendment are nothing short of amazing. As I see it, they are unique in Australia, with one exception, with regard to the 10 years' service and long service leave after that time. The only exception I can find is the recent award in the coalmining industry in New South Wales, but the judge specifically mentioned that industry as being an island industry.

The Hon. A. F. Kneebone: The 10 years' qualification has applied in South Australia for many years.

The Hon. C. M. HILL: I am not the only one who has been amazed by the Minister's proposals, because his announcement brought rapid condemnation throughout the State.

The Hon. S. C. Bevan: Only from one class.

The Hon. C. M. HILL: From two newspapers at least; and my view is that for the two newspapers—

The Hon. A. F. Kneebone: That is nothing new!

The Hon. C. M. HILL: I don't know about that, because usually the Labor Party gets a good word from at least one of them, but on October 14 both newspapers produced leading articles on the subject. I wonder whether there has ever been stronger criticism of a Government in the leading articles of two newspapers on the one day? To summarize this criticism, I quote a few sentences from the *Advertiser* of October 14, under the heading "Shock in Long Leave Plan". It begins:

Many South Australians will have been seriously disturbed by the statement on long service leave made by the Minister of Labour and Industry (Mr. Kneebone) in the Legislative Council on Wednesday.

Further on it continues:

That the Government should want to go far beyond this point—

that is, the proposal of the Hon. Mr. Potter—

at a time when South Australian industry is facing considerable difficulties and economic prospects leave much to be desired, seems almost incredible.

The article further states:

Apart from the effect on the confidence of existing enterprises, an awareness of this higher cost factor could discourage the establishment of new undertakings here. Industry in this State has relied heavily on its ability to keep costs down. A Government which continues to raise these costs and impose on industry burdens it cannot afford to bear strikes at the very roots of the State's prosperity.

Then I think the Government received its only slight degree of approval (I don't know whether I could call it praise, but it was a little different from the general tone of the leader) for the leader stated:

At this stage there seems no valid reason to query the Government's sincerity, but it is pertinent to ask—

The PRESIDENT: Order! Is the honourable member quoting from a newspaper?

The Hon. C. M. HILL: Yes, Mr. President.

The PRESIDENT: He must not quote from newspaper reports referring to debates in the Council. He can quote only from *Hansard*.

The Hon. C. M. HILL: I bow to your ruling, Mr. President. The same pattern and the same criticism were published on the same day in the Adelaide *News*. I cannot help but say that those two reports echoed the views expressed by responsible people in this State when they heard what the Minister proposed to do by way of amendment to the Bill. Surely an amendment of the kind he proposes should be considered only after a close scrutiny of the present position and when the economic buoyancy and prosperity of this State are at the highest level.

If this were the most prosperous State of Australia, there would be reason for considering going further regarding benefits for employees, but surely this Government is not going to claim that this is anywhere near the most prosperous State in Australia at present. If we try to gauge our present economic position on the Australian scene, I think we are forced to look again at the unemployment position. It was announced a few days ago that, on a percentage basis (and I make no apology for mentioning the percentage basis), our position was the worst of any State in Australia, with 1.6 per cent of our work force unemployed. This is the fourth month in succession when our unemployment position has been the worst in Australia.

Of course, our plight is recognized on all sides. When I was reading *Hansard* a short while ago, I saw a speech that had been made a day or two ago by the Hon. Mr. Banfield in which he mentioned three times the chaotic conditions in the motor industry in this State. So, we are on common ground. Yet, despite this State's present position, the Minister proposes to do something that we simply cannot afford. I say that that indicates that the Government is irresponsible on this matter.

Secondary industry today is loaded with the effects of the minor recession and lack of confidence, and our interstate markets are tending

to slip because of the cost factor. If we go too far the whole structure of our secondary industry will ultimately collapse.

Manufacturers will not be able to sell their goods. The Minister seemed to justify his proposal by reference to his Leader's policy speech, as I have mentioned earlier. Of course, the fact is that every person who voted for the Labor Party at the last election did not agree with every detail in the policy speech.

The Hon. A. F. Kneebone: You must be reading from *Hansard* now.

The Hon. C. M. HILL: No, I am merely stating a fact with which I think any reasonable politician will agree. If a Party gained office, after so many years in the wilderness, with a platform containing as many points as were contained in the policy speech of the Labor party on the last occasion, as the Labor Party did in 1965, it would not be reasonable to say that every person who voted for it agreed with every detail in the speech.

Further, if the Labor Party thought in March, 1965, that it could introduce this proposal, it did not necessarily follow that the State would be able to afford it when the time came. The economic position now is different from what it was then. Does the fact that the proposal was contained in the policy speech prove that the State would be able to afford it, either then or now? Where is the proof? Why has the matter not been referred to the Industrial Commission of South Australia for expert opinion?

The Hon. D. H. L. Banfield: You are saying that, if it can be done in other States, it can be done here. We are proposing to do it.

The Hon. C. M. HILL: I suggest that the Government will not take the matter to the Industrial Commission, because it fears the answer. I noted with interest a report in this morning's newspaper that a prominent trade unionist was cross with the Industrial Commission, which he said the unions supported and the Government established, because a judgment the commission had brought down yesterday did not suit him. The present Bill has been acknowledged by the Hon. Mr. Potter and the Hon. Mr. Kneebone to be important. It confers benefits on many employees in this State and makes clear the present rather confused position regarding long service leave.

Yet, by contrast, the amendments proposed by the Labor Government (I think it is fair to call them the Labor Government's amendments, because they have been foreshadowed by the Minister of Labour and Industry) introduce unique and dangerous changes that South Australia cannot afford at present. Irreparable harm will be done to industry in this State if changes of the magnitude of those proposed by the Minister are introduced. I support the Bill and strongly oppose the proposed amendments.

The Hon. D. H. L. BANFIELD secured the adjournment of the debate.

CROWN LANDS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 2316.)

The Hon. R. A. GEDDES (Northern): I speak in favour of the second reading. Before the present Government came to office, people who held leases of Crown land were permitted to freehold the land if they so desired. The knowledge that they were able to do that encouraged land development, particularly in the agricultural areas of the State, on a scale as good as that achieved anywhere else in Australia. The Australian Mutual Provident Society's undertaking in the Ninety Mile Desert area is evidence of this development. In that scheme, much land was reclaimed by private enterprise. Also, various Governments have undertaken extensive land development for soldier settlement, particularly since the Second World War.

We suffer because of low rainfall, and this raises the question of what is a livable area of land. It is well known that only 3 per cent of South Australia has a 20in. rainfall and that most of the rest has about a 10in. rainfall or less. This produces its own unique problems that have to be countered. People on the land must have a living area and sufficient capital, and there must be a reasonable system of land ownership or tenure.

Clause 5 provides that a lease can be converted to a perpetual lease so long as it is not larger than 4,000 acres or the unimproved value does not exceed $36,000. I have done a fair amount of research to find out whether 4,000 acres is a realistic figure in relation to a living area and, as far as I can ascertain, it appears to be a fair and equitable figure. It may be difficult to prove conclusively that it is not sufficient or that it is too much. I understand that, particularly in the drier areas (with which the Bill is principally concerned), 4,000 acres would not be sufficient for sheep farming. For example, land in the Morgan area carries one sheep to eight acres, so 4,000 acres there would not be sufficient. Section 225 (4) of the principal Act provides:

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, or, if the land is situated wholly or partly outside Goyder's line of rainfall, more than 10,000 sheep.

I realize this is a protection, but for a purely sheep-raising proposition 4,000 acres is not sufficient, whereas it is realistic in relation to wheat. From what I have seen of people clearing land on the West Coast and in the South-East, I think this legislation can work. It will enable share farmers and people coming up the hard way to obtain land more quickly. The high cost of production is still with us, however, no matter which side of the House we are on.

Depending on the type of scrub to be cleared, the cost of clearing land on the West Coast to enable the first crop to be planted is between $8 and $10 an acre, and the cost of developing the country fully is between $20 and $30 an acre. Therefore, another reason why a realistic figure must be provided is that the landholder must have sufficient land to enable him to pay for his improvements. I understand that the holding up of this Bill is causing frustration, as land sales are being delayed, so with these remarks I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Governor's powers."

The Hon. S. C. BEVAN (Minister of Local Government) moved:

In new paragraph (*jj*) to strike out "proclamation" first occurring and insert "regulation (which he is hereby empowered to make)", and to strike out "proclamation" second occurring and insert "regulation".

Amendment carried; clause as amended passed.

Clause 4 passed.

Clause 5—"Conditions of surrender."

The Hon. R. C. DeGARIS: During the second reading debate I asked the Minister some questions about the Bill, including a question about the land tax assessment in the areas being included. Has he a reply?

The Hon. S. C. BEVAN: Yes. The honourable member asked three questions, and perhaps I could reply to them together. The lands included in the Eleventh Schedule may be subject to land tax, depending entirely upon their tenure. The Eleventh Schedule as such bears no relationship to the Land Tax Act and is relevant only to the Crown Lands Act. In answer to the honourable member's second point about freehold properties, let me say that if any of these lands are held either as freehold, under agreement to purchase, or as perpetual leasehold (except those subject to revaluation) they are already subject to land tax, and the position would not be altered by any subsequent addition to or deletion from the schedule. The third point is that the values of the lands held under annual licence, miscellaneous lease or pastoral lease are not taken into consideration when determining the limitation under the Crown Lands Act. This is provided for by section 225 (3) of the Crown Lands Act.

Clause passed.

Remaining clauses (6 and 7) and title passed.

Bill read a third time and passed.

STAMP DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 2317.)

The Hon. R. C. DeGARIS (Southern): This Bill has several objects. The first is to increase the revenue of the Treasury, to increase the tax-gathering by $1,350,000 in a full year. This is being done not compulsorily but if a receipt below $50 is issued it will be compulsory to place on it a 2c stamp. The Government anticipates that this measure alone will return $100,000 in a full year. When we considered this legislation last session, we objected to the principle of having a progressive rate of duty stamps for receipts. This Council was opposed to these charges which, it felt, placed a burden upon businesses to keep a series of different value stamps, as such a variety of stamps could result in mistakes being made and people innocently breaking the law. The Council in that session argued for a single rate of stamp duty. When the conference between the two Houses took place, the present rate of 5c on receipts of $50 or over became law. Now we are returning to the principle of a 2c stamp on receipts above $10 if that receipt is asked for. The Government anticipates that this will raise $100,000.

There is an alteration to the provision in section 84 (*c*) on the question of compounding for the payment of duty by a company that does not wish to affix stamps from time to time: it can make an arrangement with the Commissioner for a yearly payment of stamp

duty. I do not follow that. The Chief Secretary said, by way of interjection when the Hon. Sir Lyell McEwin was speaking, that this was mentioned in the second reading explanation. My difficulty is that I am wondering how this compounding of duty will work where the system of affixing duty stamps to receipts of $10 or over applies only if the receipt is issued. I want to know the reasons for this provision. The very large income to be derived from this measure is to come from the increase in stamp duties on hire-purchase agreements and other documents of that sort, including conveyances. Stamp duties are imposed by all States on hire-purchase agreements, and they are payable by the finance companies. The Act in every State, including South Australia, expressly prohibits the tax being passed on to the consumer or the person using the finance company's facilities, although there is nothing to stop the finance company increasing its charges or interest rates.

The present rates of tax on hire-purchase agreements in other States are as follows: in Queensland, New South Wales and South Australia it is 1 per cent; in Western Australia it is 1½ per cent; and in Victoria and Tasmania it is 2 per cent. Of course, stamp duties apply also in South Australia to other than hire-purchase agreements: they apply across the board to all such documents. At present, stamp duties are imposed on hire-purchase agreements, and personal loans or other forms of finance documents are taxed purely on turnover; in other words, the tax is paid by the finance company regardless of whether or not it makes an overall profit, regardless of whether or not an individual transaction results in a loss, regardless of the finance company's customer paying the account in advance.

This question was raised also in this debate by the Hon. Sir Lyell McEwin. By imposing a tax in the present manner, the Government has singled out the finance industry in the field of commerce and placed it in the same category as others that pay a tax purely on turnover. I should like the Government to have a close look at this matter in order to understand the ramifications of the rise in stamp duties from 1 to 1½ per cent on hire-purchase contracts and other documents of that nature. I point out that the finance companies pay the tax immediately and, even if the rate reflects a part of all the tax, it is not fully recovered until the end of the completed contract, which can be anything up to four years.

I also point out that between 50 and 60 per cent of all contracts are paid out in advance; that is, prepaid contracts. In these cases stamp duty is not rebatable by the Government. In many cases customers use finance companies for short periods, knowing at the time of entering into a contract that they will be receiving funds with which to pay out the contract. In many such cases the stamp tax is a burden to the extent that the finance company loses not only its overhead cost but also a portion of its capital, and this arises because of the statutory method of rebate.

The finance company suffers losses on some individual contracts. In such cases the tax is irrecoverable. In practice, the stamp duty rates imposed are always higher because of the brackets of rises. For example, in the South Australian Act at the present time the rate is 1 per cent in $200 brackets. On $200 the finance company pays $2, but if the amount financed is $201, the finance company pays $4. With the rise to 1½ per cent the cost on $200 will rise to $3 whilst on $201 the cost will be $6. I also point out that the Victorian and Tasmanian Governments with their 2 per cent stamp tax illustrate clearly the practical effect of the high stamp duties. In Victoria, for example, profit from hire-purchase transactions is practically nil or so small that it is not worth a company's risk in writing hire-purchase agreements. The inevitable result is a movement from hire-purchase into other forms of documentation such as a chattel mortgage, bill of sale and personal loans.

Perhaps I could give some illustrations of how the question of stamp tax in relation to hire-purchase agreements that are prepaid affects finance companies. The first example is of a principal sum of $1,620 being repaid over a period of 48 months. Having made the contract, it is paid out in the first month, and the charges on that contract would be $453.60. If paid out in the first month, the rebate would be $434.99, leaving a gain to the company of $18.59. The stamp duty on such a contract would be $25.50 and if that contract was paid out in the first month then the loss to the company would be $6.91.

A second example is a principal sum of $1,220 for a period of 36 months. Once again it is prepaid in one month. The charges are $256.20 and the statutory rebate $242.17, leaving a gain to the company of $14.03. Stamp duty on the contract would be $19.50, leaving a loss of $5.47. Another example concerns a principal sum of $1,250 for a period of one month. The charges would

be $13.75, stamp duty $19.50 and a loss to the company of $5.75. I also have figures dealing with a 48-month contract being prepaid in three, six, nine, 12 and 24 months. As I have pointed out, between 50 and 60 per cent of all contracts are prepaid. In the case of a principal sum of $1,620, prepaid in three months, charges would be $453.60, statutory rebate $399.13, gain to the company $54.47, stamp duties $25.50, leaving $28.97. The standard money charge for the use of that sum is approximately $50 and the company has in addition to pay administrative costs. It can be seen that even if a contract is prepaid in three months there is still virtually a loss to the company.

The Hon. F. J. Potter: Is the honourable member quoting the old or the new rate?

The Hon. R. C. DeGARIS: The new rate. The same contract from $1,620 prepaid in six months results as follows: charges $453.60, statutory rebate $348.23, gain to the company $105.37, stamp duties payable $25.50, net gain $79.87, standard money charge for that sum of money for six months $65.00, leaving a profit of approximately $14. That still would not cover the cost of the administration of the business. The same principal sum prepaid in nine months would result: charges $453.60, statutory rebate $300.80, gain to company $152.80, stamp duties payable $25.50, net gain $127.30, standard money charge for nine months $80.00, leaving a profit of $47 for the company, but still with administration costs to be deducted. Therefore, it can be seen that while the position improves to the company as the prepayment of the contract lengthens there is still difficulty for the company if the contract is prepaid up to a period of 12 months on a 48 months contract.

On a principal sum of $1,620, the figures if prepaid in 12 months are: charges $453.60, statutory rebate $256.83, gain to company $196.77, stamp duties $25.50, net gain to the company $171.27, standard money charge $96.00, profit $75.27, less administration charges. On the same principal sum of $1,620, if prepaid in 24 months the figures are: charges $453.60, statutory rebate $115.69, gain to the company $337.91, stamp duties $25.50, net gain $312.41, standard money charge $160, leaving a profit of $152.41, less administrative charges.

It appears from the figures that the Government should consider some action to see that there is a rebate of the stamp duty in relation to prepaid contracts. If this rebate is not given, I would point out the effect that this could have. It would mean that those companies engaged in this industry must try to cut their costs in other ways. They simply cannot afford to meet those losses on those contracts. This means they must take action in various ways. They can increase their charges or they can increase their deposits. There are many ways in which it can be done. However, whatever is done, this increase in stamp duties must re-act against a section of the community least able to bear it. The Government should look closely at this matter, which can have a damaging effect on business, industry and employment in the State. I cannot see why some rebate of duty paid cannot be made to the companies in the case of prepaid contracts.

The Hon. A. J. Shard: Is that the matter Sir Lyell has raised?

The Hon. R. C. DeGARIS: Yes. I support the case put forward by Sir Lyell regarding losses by a finance company. I have doubts about a voluntary system of issuing receipts that must be stamped. This could cause difficulties for business in South Australia and I do not consider it to be in the best interests of commerce. However, the Government wants more revenue and this provision is its business. I support the second reading.

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

STATE LOTTERIES BILL.

Adjourned debate on second reading.

(Continued from October 11. Page 2154.)

The Hon. Sir NORMAN JUDE (Southern): A few months ago I had much to say regarding the State lottery when we were considering the Bill for a referendum on this matter. I do not intend to read at great length from the speech I then made. However, I desire to cite certain remarks, because it is much easier for me to remain consistent on a matter such as this, on which I have certain principles.

The Hon. A. J. Shard: You are not afraid we will call the stewards, are you?

The Hon. Sir NORMAN JUDE: I do not take things out of context deliberately, but at the same time I do not want to go into every sentence. At that time, I said:

I want to assert my view on this, which is (and I have never changed it) that I favour the licensing of lotteries by a Government. The totalizator is licensed and people pay a fixed tax. I believe in that. Also, bookmakers pay a fixed tax. I have a rigid belief that with what I have left after Commonwealth and State taxation authorities have taken from me I should be allowed to do what I like with the

balance, provided I pay reasonable charges. Having said that, I believe that the Government should license lotteries. I am thinking not only in terms of a £50,000 lottery but also in terms of the cake at the church fete and things of that sort—a £5 lottery where a 5s. fee could be paid. Let us have the whole lot legalized. Why should hundreds of voluntary workers hide under the guise of, "This is a charitable affair" and, "We are working for the church", all the while doing these things illegally? Surely it is objectionable that hundreds of our citizens, including church-going people, should be doing this? Why not pay an ordinary fee, as in the case of the old entertainment tax, and be allowed to go ahead with the particular proposition?

Having said that I am in favour of that, I will make it clear now that I will always oppose any Government setting out to advocate gambling by way of lotteries as a means of getting Government revenue. I think that honourable members will appreciate that that is a very different matter from licensing a lottery for somebody else to run and taking the tax from it, because it will mean that, if this referendum is approved, my colleagues opposite will have to determine (and they have not yet) the form that the lottery will take.

The Chief Secretary interjected, "And bring it back here." Later, I said:

I have already suggested that I may in due course, if this is carried, express a vote of sympathy to the Government for its having to operate it. It may put its own view, too. I am opposed to the advocating of gambling by a Government.

That is exactly what has happened. We went to conference on this matter and a most unusual procedure, which only now sees the light of day, was followed. The ordinary layman who looks up the Statutes finds three or four words crossed out by proclamation in the *Government Gazette* of October 28, which was about the same time. Naturally, I was interested in this, because the Act provided for regulations only, not for proclamations.

I decided to trace the matter and, when I inquired of the Crown Law Office, I was told that subsection (12) of section 14, which dealt with the question to be asked of the people, contained the words "by or under the authority of the Government". That contains a special provision that the Governor may, by proclamation, alter the words in the question. I am not suggesting that there is anything improper in that. The Government had to do it. It was a special power, not associated with the provision with which it should have been associated but brought in 10 clauses later, because of some jiggery pokery (if they are the right words) that went on at the conference.

The Hon. A. J. Shard: In the early hours of the morning.

The Hon. Sir NORMAN JUDE: Yes. We have reached the stage where the Government has to run this lottery. We are condemning the Government for extravagances in some directions and the Government is bemoaning its financial position because of things within or beyond its control. The fact remains that the Government has to appoint a director of lotteries, or a similar type of officer, and it must set up an administration. However, the Government could have handed this over to a well known private enterprise company and saved money. If it did that, everything would have operated under perfect conditions, as has been the case in Victoria and Tasmania. The Government would collect the cheque every week and would only have to keep an eye on it to see that everything was done properly.

The Hon. Sir Lyell McEwin: Do you think that was really satisfactory to Tasmania?

The Hon. Sir NORMAN JUDE: It may not have been entirely satisfactory to Tasmania, but it was a business arrangement and it was better than nothing at all. That private enterprise lottery moved to Victoria for its own purposes, and I have no doubt that it would have moved here. This Parliament was wrong in what it did at the time. It messed up the referendum and messed up the future of the scheme. If I had the opportunity, I would move an amendment now. However, I have found, on inquiry, that it would be virtually impossible from a technical point of view to do that as I could move an amendment only after the second reading stage, which would negate the purpose of the Bill.

The Hon. A. J. Shard: It is not virtually impossible; it is impossible.

The Hon. Sir NORMAN JUDE: It is impossible to amend, but I would have had pleasure in moving an amendment so that the Government could let the lottery out to an authority. I am worried about the possibility of our losing money instead of gaining. It may be a bit of a frost that will not be worth the candle; that is the danger. We have dealt with totalizator agency betting (which I supported) and we are currently dealing with dog-racing and other forms of extracting cash from people, yet the Government knows very well that people will still invest in the Golden Casket because, under section 92 of the Commonwealth Constitution, they cannot be prevented from doing so. I think it is a great pity that the Government has been put in this position. The Hon. Mr. Banfield moved me to tears yesterday when he mentioned the benefits to be gained for hospitals. I do not want to hear that rubbish in this Council!

Let us have a straight-out approach to these matters. The Government's revenue should benefit from this Bill, and what it does with the money, so long as it is properly spent on the Revenue Estimates, is no concern of ours. To suggest that this will boost hospital revenue—

The Hon. A. J. Shard: I have never said that.

The Hon. Sir NORMAN JUDE: I know that, but the Chief Secretary does not think it. For years people have been saying that they have had enough of badge days, but does any member of this Council think that a lottery would do away with them? If the Chief Secretary is absolutely fair about this hospital business, and, if the Hon. Mr. Banfield is to be taken seriously, no badge days for health matters will be necessary, but badge days are held for other things—for instance, the Salvation Army.

The Hon. A. J. Shard: There are many charitable ones.

The Hon. Sir NORMAN JUDE: Yes, and some are semi-religious.

The Hon. A. J. Shard: Yes.

The Hon. Sir NORMAN JUDE: They will still need to hold badge days or they will get very little direct revenue, and suffer thereby. I make a further point about the ungenerous attitude of the Government (and now I am condemning it, because it realizes the jam it is in over this). The Government knows that it expected a certain amount of additional revenue, yet it suggested that it would offer only 60 per cent of the money as prize money. I would have thought that good salesmanship would mean that it would raise the ante a bit, and go a little higher than the other States.

The Government has shown a great aptitude for going higher than other States, and here is an opportunity for it to go higher. However, the odds in this State will be lower than the 64 per cent paid in Queensland and Western Australia. The lottery in the latter State is not very satisfactory, as it is localized and a long way away. We can do with good public relations officers who know their job, and I suggest that the Government could be its own public relations officer by raising the ante to the maximum possible. I would not suggest that the Government tried to outdo the other States, but at least it could be up with them, and the taxpayer would at least consider that he had the opportunity to get as big a return here as elsewhere.

The Hon. A. J. Shard: Why are you so certain that it will not be more than 60 per cent?

The Hon. Sir NORMAN JUDE: I am certain that it will not be, or the Government would have said otherwise.

The Hon. A. J. Shard: But the clause provides that it will not be less than 60 per cent. Do you think the minimum will be the maximum?

The Hon. Sir NORMAN JUDE: Yes.

The Hon. A. J. Shard: I will tell you after whether you are right.

The Hon. Sir NORMAN JUDE: I shall be happy to hear the Chief Secretary tell us in reply that it will be 64 per cent.

The Hon. A. J. Shard: I think I may be more correct than the honourable member is.

The Hon. Sir NORMAN JUDE: That is all I have to say on the second reading, but I shall have more to say in Committee.

The Hon. L. R. HART (Midland): I have to support this Bill, but I do so without any great enthusiasm, because I think a State lottery will not be of any great value to the economy of this State. I appreciate that just over 70 per cent of the people voted in favour of a State lottery at a recent referendum. We must appreciate that the voting in that referendum was compulsory. We did not get necessarily an informed vote, because many people who voted did so from fear of being fined for not voting. Did they give an intelligent vote? Did all the 70 per cent really want a lottery? Taking it further, will all the people who voted in favour be prepared to support a State lottery? That is the light in which this Bill should be considered. If we are sure that 70 per cent will support the lottery, possibly it will be a success.

I appreciate that the Government places much value on a lottery because it believes it will assist the State's finances. I believe that no State's economy should be dependent on gambling devices, but there is what one may call a cloak of respectability attached to this Bill—that the reason for its introduction is that part of the money obtained from it will be used to finance Government hospitals. We realize that hospitals need finance, and also that many hospitals are now helped by voluntary contributions and money raised at badge days. The person who now subscribes 20c or 50c to buy a badge knows that the greater part of that sum will go to the cause for which he has bought the badge.

If a person decides that he will no longer buy a badge but will invest 50c in a lottery

ticket, and if the prize money is 60 per cent (I will take the minimum figure, although it may be more), the prize will take 30c, leaving only 20c. From the 20c must be paid the commission for the agent and the cost of administration, which I expect will not be low. Therefore, we can readily assume that half of the 20c will go in administration costs, so the hospitals will be lucky to get 10c. With the 20c ticket, the prize money will absorb 12c, leaving only 8c, and, if administration takes 50 per cent of the remainder, the hospitals will benefit by only 4c. So this obviously is a very unattractive proposition for the hospitals. If the State is relying on money from the lottery, it will be difficult for the Government to budget accurately, because the amount of money to come from the lottery is unknown. It is not known at this stage whether there will even be a profit. The Government will find some difficulty in budgeting if it is relying on the State lottery for money.

If the lottery is not a financial success and is not attracting support, it will be necessary for the prizes to be increased. If that happens and if promotion costs are increased, obviously there will be a smaller amount of money available for the purposes for which the lottery is being conducted. We agree that hospitals need assistance and we look forward to the day when hospitalization will be free to all people, particularly in the public wards of Government hospitals. Much has been said about the advantages in the Queensland scheme of hospitalization. Queensland has been given credit for providing free hospitalization in its public wards in Government hospitals.

The Hon. Sir Lyell McEwin: They claim the credit.

The Hon. A. J. Shard: We can't find out how they do it; nobody will tell us.

The Hon. L. R. HART: No. What is the standard of these hospitals in Queensland? Is it the recognized average standard for all hospitals? I understand on very good authority that the private hospitals in Queensland are flourishing. It is difficult to get accommodation in them, because the people in Queensland are not satisfied with the accommodation provided in public wards by the Government hospitals. This great attraction of "free accommodation" is not appreciated by the people of Queensland. However, that is their worry—and I understand it is some worry to them. As the Chief Secretary has said, we cannot find out the true position there, but I understand that Queensland is endeavouring to get out of this position and to relieve itself of having to provide free hospitalization.

I am concerned about those bodies which over the years have relied on raffles for money. After all, a raffle is virtually a lottery on a small scale. Generally speaking, the law has cast a blind eye on the conduct of raffles. I do not quarrel with that, but this has been the means of financing many worthwhile bodies in this State. Will the law continue to cast a blind eye on this procedure, will it still tolerate this competition with a State lottery or will there be a clamping down on this activity? I guess that the State lottery will not tolerate competition that is not entirely lawful. In this case, we shall find a number of bodies having difficulty in financing their activities. In fact, even if they are still permitted to run as they have been running, there will be competition from the State lottery. They themselves will have to face some competition, and therefore their own finances will deteriorate.

However, our job is to ensure that this Bill contains all the necessary safeguards, particularly in relation to advertising and promotion. We should see that the lottery is not promoted in such a way that it becomes unpalatable to the people of this State. I agree with other speakers that the conditions under which the lotteries are conducted in Queensland are undesirable and I trust that that situation will not be created in South Australia. I realize that the Government is keen to get this Bill through, because there are many other Bills coming forward. In fact, we shall have further Bills that may even deal with gambling before us in the near future. It would be a good thing to get all these things out of our hair as soon as possible. I wonder whether the 70 per cent of the people who voted for a State lottery at the time of the referendum would still be prepared to vote that way today. Will the 70 per cent support the State lottery when it comes into being? I support the second reading.

The Hon. R. C. DeGARIS (Southern): This matter has been fully canvassed by now. I rise briefly to make one or two comments. I am beginning to wonder whether the voting at the referendum held last year was in fact informed. I have spoken to many people since the referendum: I have asked them how they voted and have been told that they voted "Yes", and they gave certain reasons, which seemed to be in the following order of

preference: (1) because they thought it would help the hospitals; (2) because they felt that people should have a right to go in for a lottery if they so desired; (3) because it would save money from going to other States; and (4) because they liked to gamble.

I make no secret of the fact that I have always opposed the introduction of lotteries, not on any moral grounds but purely on economic grounds. I was pleased that the Hon. Sir Lyell McEwin raised the point of an inquiry that took place in this State, consisting of four members of Parliament (two from each House) and presided over by Mr. Piper. I was informed that, before it took evidence in other States, three out of the four members of the Commission were strongly in favour of lotteries; yet in their report after a thorough examination they unanimously opposed the introduction of a lottery in South Australia.

The first thing we have to realize is that these things do not in any way assist the financing of hospitals at any stage. I have said this previously in this Chamber and have been strongly supported by the Hon. Sir Norman Jude, who takes exception to the fact that this money from both T.A.B. and lotteries is placed into a Hospitals Fund. If one follows the administration of hospitals in other States, we see that this does affect it. I was intrigued with the remarks of the Hon. Mr. Banfield yesterday. One statement made by him reads:

> Lotteries are becoming big business in other States and we hope the same will apply in this State.

I hope that lotteries are never big business in South Australia. The only outcome should lotteries become big business here would be that it would only affect the economy of the State and in no way assist the finances of hospitals. I refer briefly to the Bill and I would like to support the remarks made by the Hon. Sir Arthur Rymill concerning clause 19 (8) (*d*).

The Hon. A. J. Shard: We agree with the remarks and with what is intended; I think we may be able to overcome the difficulty.

The Hon. R. C. DeGARIS: I thank the Chief Secretary. I am having difficulty in understanding clause 19 (5) and I will read it:

> A person shall not, without the written authority of the Commission for fee, commission, hire, gain, reward, share or interest of any kind whatever (other than a share in any prize that may be won by the ticket in question) promote or offer to promote or take part in or offer to take part in the formation of a syndicate for the purchase of a ticket in a lottery conducted or to be conducted by the Commission.

This puzzles me. I think the intention of the clause is to make it illegal for a lottery to be conducted inside a lottery, or as part of a lottery.

The Hon. A. J. Shard: In some States people sell on commission from door to door, and I think the purpose of the clause is to prohibit such action.

The Hon. R. C. DeGARIS: I do not see what that has to do with this provision if that is the intention. As the Hon. Sir Arthur Rymill has done, I would like to paraphrase subclause (8) (*d*) in words along the following lines:

> A person shall not for fee or for share or an interest of any kind whatsoever purchase a ticket in a lottery.

Some words follow in brackets with regard to "a share in any prize". It would be hard to get a share in a prize without having a share in a ticket. There may be a logical explanation for this, and I think I understand the intention, but I am not certain that the wording gives the intention of the clause.

The Hon. A. J. Shard: I know the intention of the clause.

The Hon. R. C. DeGARIS: I also know that, but I am concerned whether the clause does what is intended, and I ask the Chief Secretary to examine it again. Apart from that, I rather reluctantly support the Bill. As I said, I have always been opposed to the introduction of lotteries because I do not think they solve any problems as far as hospitals or hospital finances are concerned. However, I accept the fact that a referendum has been held and that a large percentage of the people in South Australia voted for the introduction of a lottery in this State.

Bill read a second time.

In Committee.

Clauses 1 to 12 passed.

Progress reported; Committee to sit again.

LOCAL GOVERNMENT ACT AMENDMENT BILL.

In Committee.

(Continued from October 12. Page 2213.)

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

The Hon. S. C. BEVAN (Minister of Local Government): I sought leave to report progress previously because various matters arose in relation to this clause, which is the regulation-making power to be inserted in the Act.

I propose to move two minor amendments to strike out "receipts" in subclauses (*a*3) and (*a*4) and insert "revenue". This clause amends section 691 to give the Governor power to make regulations concerning accounting matters. The Local Government Accounting Committee was appointed by the previous Government to investigate local government accounting and other practices with a view to recommending a standard system of accounting. This was done on the recommendation of the Auditor-General, following his investigations of councils over the years.

There are no accepted procedures on the manner in which councils shall keep their records and the Auditor-General's investigations have shown many shortcomings as a result. In answer to a question by the Hon. Mr. Hill, I tendered a report of the deliberations of the committee up to date. The committee has visited other States and has investigated their methods, and reports I have received from the committee show that these provisions are operating satisfactorily in the other States.

It is stressed that this amendment does not provide for accounting regulations to be introduced immediately. It merely enables regulations to be submitted for the consideration of Parliament at a later date. The committee considers that its report should be submitted in regulation form and it is confident that it will be able to support the regulations. However, the regulations will not come into force until a period of at least six months has elapsed, to enable Parliament to either reject or accept them. The regulations would be submitted to the Minister, then to Cabinet, and then to His Excellency the Governor. The local government authorities would have been consulted and given a copy of the draft regulation for comment before it was submitted to the Minister. Therefore, I cannot see any objection regarding these powers.

The Hon. Mr. Dawkins and the Hon. Mr. DeGaris have mentioned the fact that a report of the accounting committee did not meet with the approval of local government officers. They are probably referring to the meetings that the committee held in various part of South Australia when it explained its proposals to local government officers. The very reason for doing this was to ascertain any objections that officers had, and many of these objections have already been considered and acceded to by the committee. For instance, the main objection of the metropolitan town clerks was to the committee's proposal for an accounting system based on the receipts and payments method. The town clerks favoured income and expenditure. The committee agreed to reconsider this aspect and, following investigation in another State, has agreed to accede to the wishes of the metropolitan town clerks on this particular aspect. The committee intends to again present its final findings to officers and members before submitting its report to the Government.

The Hon. Mr. Dawkins says he trusts that this provision will not cause too much bookwork, which is unproductive. The eventual system will most certainly mean bookwork, but no more than is essential for the proper recording of accounting activity. The committee has seen many inefficient systems and the time spent on these inefficient systems is more than would be spent on proper accounting methods. I do not agree that bookwork is non-productive; it is far from being so. It is obvious that more economical administration results from a proper accounting system. The Hon. Mr. Dawkins and the Hon. Mr. Hart say that more office staff will be required. the accounting committee does not agree and feels that, generally, extra staff will not result, except in those cases where it is obvious that more staff is required anyway to do what it is doing now.

The Hon. Mr. Hart says that the provision will result in councils being required to provide accounting machines. The proposed system is not intended to do this but, nevertheless, the committee feels that more use could be made of accounting machine methods. The Hon. Mr. Hart mentions the possibility of increased cost and the Hon. Mr. Dawkins says that the Bill does not provide one cent more for local government. It is felt that any additional cost occasioned by the proposed accounting system will be small, if any. The committee has seen inefficient systems, which now cost more than a proper system. That is the opinion of the accounting committee itself. I disagree with the Hon. Mr. Dawkins that the Bill does not provide one cent more for local government. Whilst another avenue of revenue is not provided I have no doubt that improved procedures will result in savings. The committee has seen instances of unnecessary expenditure because of lack of efficient administration.

The Hon. Mr. Hill and the Hon. Mr. Kemp mentioned the differences between municipal councils and district councils. The Hon. Mr. Hill compares the district council of Quorn

and others with the Adelaide City Council and others. I would point out that the Hon. Mr. Hill is comparing one small municipality with a large one, for Quorn is not a district council but a municipality. However, this is incidental. I do not believe there is a great difference between municipalities and districts and feel that to perpetuate this difference is not for the good of local government. There are many municipalities in South Australia much smaller than districts. I feel that, basically, there is no difference between one or the other. Whether a council is one or the other is more a matter of historical accident than principle. A small council is as vitally concerned in spending its few thousand as the large one is in spending its many thousands. Both have collected it in the same way and generally spend it in the same way, and in both cases as laid down in the Statutes.

The Hon. Mr. Hill says it is unfortunate that the findings of, particularly the Local Government Accounting Committee, have not come down. The committee cannot produce its findings in the form of regulations as it desires to do until power is provided to make regulations. If this power is not provided then the committee must present its findings in another form, but regulations are the most desirable way to do this, and all other States have done it in this way. As I have said, Parliament will have the opportunity of accepting or rejecting the regulations before they become operative.

The Hon. Mr. Hill notices from the Auditor-General's Report that he intends to issue a form of interim report, during this year, of local government accounting procedures. The report mentioned here is the one to be submitted by the accounting committee, which, as I say, cannot be done until regulation-making power is provided.

The Hon. Mr. DeGaris asked whether the amendments were referred to the Local Government Advisory Committee. They were not. It is not necessary that all proposed amendments to the Act be referred to that committee.

The Hon. R. C. DeGaris: It is nice to do it, though, isn't it?

The Hon. S. C. BEVAN: I was about to point out that the time factor came into this. It is common knowledge that Parliament will adjourn on November 17 and I think this is the sixth week that the Bill has been before this Chamber. It has yet to be debated in another place. That was one of the main reasons why the local government bodies were not consulted.

I know that they are taking exception to this Bill, and one of the principal grounds of objection is that I did not consult them prior to its introduction. However, the time factor came into the matter. Regulations provided for under the Bill would be brought down simultaneously. There would not be one regulation today, another next week, and another the week after that. The organizations and their officers would be consulted, with the regulations before them, before the regulations were submitted to Cabinet and Executive Council. Also, there will be a minimum of six months in which everyone will have an opportunity to examine the regulations. Any member of either Chamber can move for the disallowance of a regulation, and the Subordinate Legislation Committee examines all regulations when they are laid on the table of each Chamber. Any interested person can appear before that committee and express his views for or against a regulation. All this clause does is to give power to the Governor to prescribe regulations on these matters. If honourable members have any objection to this, there will be adequate time before the Bill passes in another place for amendments to be moved there.

The Hon. Sir LYELL McEWIN: The Minister said that the Bill had been before us for six weeks and that we should pass it and send it to another place, but I do not agree. The Auditor-General made certain recommendations in his report that I should like to study. If the measure is properly examined in this Chamber, time may be saved, as we may ultimately agree with the Minister. We could defeat the clause, send the Bill to another place, where that clause might put it back, and a conference could then be held, but it might be possible to avoid this. I am not satisfied yet, and it is my policy to vote against something if I am in doubt. I ask the Minister to report progress to enable us to study the information before us.

The Hon. C. M. HILL: As it appears that the Minister does not intend to report progress, I have no alternative but to discuss the whole clause. In the second reading debate the accounting committee was referred to, and I asked the Minister questions about its deliberations. I thank him for his lengthy explanation, in which he said that the final report of the committee was not available. In his report, the Auditor-General said that he expected the findings of the committtee to be completed during this financial year.

There seems to be a serious divergence of opinion between some members of local government and members of this committee in relation to the committee's deliberations. It is a great pity, and I think it is unfair, that the Minister is seeking to arm the committee in such a way that it will be in a strong position to bargain in its negotations with experienced local government officers in this matter. It was a great pity that some common ground had not been arrived at between men involved in local government and this committee before this clause came before us.

I cannot see why ultimately some common ground cannot be arrived at, because both sides from my experience are reasonable people. I am not intending to take sides in this issue: I am only wanting to be as fair as possible. In this divergence of opinion that seems to exist about the necessary systems, I am not saying that one or the other side is right. I am not taking the part particularly of the metropolitan town clerks in this matter. If only the findings of that committee could come before us, we should be in a far better position to consider the scope of the regulations than we are at present.

Local government generally is most concerned about the matter. The Minister and all honourable members know that the Municipal Association had an emergency meeting only today on this matter. I was asked to go out of the Chamber during the Minister's speech a few minutes ago to discuss points that I assume arose out of that meeting. So, when my Leader asked that progress be reported, I was hoping that the Minister would give us a little more time in which to collate the matters that have come out of that meeting.

The Hon. S. C. Bevan: I knew you were going to speak and I wanted to hear first what you had to say.

The Hon. C. M. HILL: I do not want to clash with the Minister on this point. I want to see the Minister and local government in a happy and satisfactory liaison. It is upsetting to me when I see this divergence of opinion getting wider and wider and feeling between the Minister and his accounting committee, on the one hand, and local government, on the other, getting stronger and stronger. Apart from what has happened at the meeting today, local government objects to paragraph (*a*). I have here an advice from a group involved in local government regarding this paragraph. It is as follows:

It is considered that this paragraph is premature and further consideration should be deferred until the report of the Local Government Accounting Committee is available and has been dealt with by the Local Government Act Revision Committee.

I do not go as far as that, because we know that that revision committee will take a long time to report. This submission was made following a special meeting of the Chairmen and Secretaries of the 10 special committees reviewing the Local Government Act, one of those committees being the Audit and Accounting Subcommittee. They set themselves up to offer suggestions to the Government accounting committee.

This meeting from which it was published was held at the town of St. Peters on Tuesday, September 27, 1966, and was representative of the Municipal Association, the Local Government Association, the Institute of Municipal Administration (South Australian Branch), the Local Government Officers Association; the Local Government Engineers Group; and meetings of metropolitan town clerks held at the Municipal Offices, City of Prospect, and the Metropolitan Councils' Accountants held at the City of Unley. So there is no doubt that local government is at this stage objecting. When it is treating with the accounting committee to try to arrive, by liaison and by negotiation, at some common ground, it is a pity that the Minister seems to be proceeding here and endeavouring to write into this Bill this power to regulate.

It is not only the local government officers who are vitally interested. I have here a letter from the Mayor of Glenelg, who is speaking on behalf of his council, the members of which are representatives of the people of Glenelg, so we are not coming from a council administration when we get letters of this kind from people in local government. The Mayor says:

My council has no objection to the Bill other than clause 6 and respectfully asks that this clause be carefully perused as the proposed regulatory powers, in my council's opinion, go too far. It would be possible for additional burdens to be imposed on this and other councils whose present systems adequately and economically meet requirements and satisfy its responsible professional auditors.

All this adds up to the fact that I should like to see this clause taken right out of the Bill. I recall that the Hon. Mr. Story had indicated that he intended to move that the whole clause be deleted. I think he mentioned at the time that he had in mind waiting until the report of this accounting committee had been brought down, and then we would know the scope of the regulations that the Government needed.

The Minister already has obtained further changes in the Local Government Act by the clauses to which we have agreed, but I have put my amendments on the file on the principle that the Minister obviously (and it is his Government's policy) wants some power. So, rather than support the Hon. Mr. Story's idea of striking out the whole clause, I have simply endeavoured to limit by these amendments the power we give the Government.

However, when the accounting committee's report does come down, it may be necessary for the Government to seek a further regulatory power. At present as the Government is in conflict with local government, and particularly in the metropolitan area, I feel I am justified in proceeding with these amendments.

The Hon. M. B. DAWKINS: During the second reading stage I supported the Bill in principle in general terms and stated that this support was to be measured also by the reply that the Minister gave, particularly with reference to the inspections, as long as they were not to be overdone. I have got an assurance from the Minister that he does not intend to appoint extra inspectors, so that there will not be an overdose of inspections, which was a matter of concern to some councils.

The Hon. A. J. Shard: That is not right.

The Hon. M. B. DAWKINS: However, like the Hon. Mr. Story, I think the whole of clause 6 should come out. I say this not only because there are metropolitan councils opposed to this clause as it is at the moment but also because I know that there are country councils that feel the same way. I have in my possession a long letter from the chairman of a large country council who considers that clause 6 is premature. I would not suggest that members of local government, either in the city or country, are averse to improving methods but I believe that the situation at present, with an accounting committee investigating such matters, means that clause 6, as it stands, is premature.

The Hon. Mr. Story intended, as I think the Hon. Mr. DeGaris said, to move that this clause be deleted, or to ask that members vote against it, and I am of the same opinion. In the meantime, I support the Hon. Mr. Hill's amendment. I believe paragraph (*a*) could be deleted. I also believe that certain amendments to paragraphs (*a*1), (*a*2), (*a*3) and (*a*4) will be supported by the Committee. While I support them also, I do so in the hope that eventually the whole clause will be deleted and that the Minister will consider the introduction of another clause, possibly along these lines, not at the present time but when the accounting committee has brought down its report.

During the second reading debate I said that we should beware of the amount of bookwork and additional administration put into the Act, particularly as it might affect smaller councils, because overhead expenses would be increased considerably. That would result in less money being available for construction of roads and improvement of facilities. We should all be in favour of improving council procedures, but this can be carried too far; possibly this clause tends to do that. However, I reserve my final judgment until such time as the report of the investigating committee is received. I support the amendment, but I hope that the Minister will give consideration to omitting clause 6.

The Hon. Sir ARTHUR RYMILL: The Hon. Sir Lyell McEwin asked some time ago whether the Minister would be prepared to report progress. I support that suggestion and if it is the Minister's intention to do so I will delay my comments on this matter.

The Hon. S. C. BEVAN: Certain statements have been made following my explanation and I take exception to some of them. I know what has been going on as far as this Bill is concerned, especially outside this Chamber. I am aware of the objections—nobody better than I! I also know of the moves in connection with it. However, I have no intention of jockeying anything through, and I said so earlier. The only thing that concerns me is the time factor; I resent any implication that I am trying to "put something over". I have before me a copy of a speech that I delivered at the opening of the conference of the Municipal Association earlier this year. I do not intend to quote from that speech, but four-fifths of it dealt with the provisions of this Bill. The conference was opened on September 21, 1966, and if I were trying to cover up anything I would not have gone to this conference, having been given the honour of opening it as Minister of Local Government. I resent the innuendoes that I have been trying to cover up anything.

The Hon. Sir Arthur Rymill mentioned reporting progress; I was going to rise at that stage, but the honourable member beat me to it. In dealing with clause 6 I thought I might have made it plain when I gave an assurance to this Committee (and that assurance will appear in *Hansard*) that the draft regulations would be submitted to the organizations concerned before going anywhere else—even

before being submitted to me, as the Minister, and before being submitted to Cabinet and Executive Council. The draft was to be submitted to the Municipal Association as well as to the various clerks of councils for examination of the proposed regulations in order that they might comment upon them. I gave that assurance this afternoon and I repeat it: this will be done. That is something that is not generally done as far as regulations are concerned. Usually, the regulations are drawn and then go through the usual channels: the committee, then Cabinet and finally to this Chamber. In spite of that, I am prepared to do what I have just indicated, yet still we have had all the comment made this afternoon.

If honourable members want to defeat this clause I cannot stop them from doing so. Let them vote against it and defeat the clause, if that is their considered opinion. However, I know who will profit most from it. Since I have been Minister of Local Government I have tried to co-operate with associations, councils and district councils; I have visited as much as possible and carried out various inspections. Sometimes this has been done at a time when I could ill-afford to be away from my office where urgent matters were requiring attention, but I let such matters wait in my efforts to be co-operative with the people I have mentioned. Flowing from the meeting mentioned by the Hon. Mr. Hill—

The CHAIRMAN: Order! I cannot permit messages to be taken from the President's Gallery to any honourable member.

The Hon. S. C. BEVAN: Following the meeting referred to by the Hon. Mr. Hill, I left this Chamber to meet a deputation of officers appointed to wait upon me in relation to these matters. I am fully aware of the objections raised, and of what has gone on. The discussion I had was brief as time did not permit anything more. I considered that my presence was necessary in this Chamber owing to the debate on this Bill and I had to excuse myself. Even if this clause passes in its present form, there will be ample time between the passage of the Bill in this Chamber and its passage in another place to examine the clause and meet the deputation that has been appointed to wait upon me this afternoon. There will be time to discuss the matter fully and arrive at an amicable agreement. The Bill could be amended in another place. I have given an assurance and am prepared to honour it. I take exception to certain things, but do not want to delay the Bill any longer. I feel inclined to put this matter to a vote and let honourable members decide what they want to do. I point out that I give full consideration to matters of which I have charge in the Council. In the circumstances I ask that progress be reported.

Progress reported; Committee to sit again.

STATE LOTTERIES BILL.

(Continued from page 2381.)

Clause 13—"Powers and functions of the Commission."

The Hon. Sir ARTHUR RYMILL: I do not object to the clause, nor do I propose to move any amendment. However, I point out the scope and effect of the provision, because that has a bearing on an amendment to another clause that I propose to move later. Clause 13 provides:

(1) Subject to this Act and the directions of the Minister not inconsistent with this Act, the commission may—

(a) promote and conduct lotteries within the State and do or cause to be done all such things as are necessary for, or incidental or ancillary to, the promotion or conduct of lotteries within the State . . .

That is a wide power and will undoubtedly enable the commission to announce and advertise its lotteries. A later clause relates to persons advertising lotteries and I make it clear that the commission has these powers.

The Hon. A. J. SHARD (Chief Secretary): It is not often that the Hon. Sir Arthur and I get on opposite sides on legal matters. However, I point out that it is true that clause 13 gives the commission these powers. Our difference relates to a later clause, although both Sir Arthur and I are agreed on the intention. The commission must be exempted. Otherwise, it would commit a breach. The draftsman has considered this matter and informs me that that is so. I do not think there is any quarrel about this: it is a matter of doing things correctly.

Clause passed.

Clauses 14 to 16 passed.

Clause 17—"Not less than 60 per cent of value of tickets in lottery to be offered as prizes."

The Hon. Sir NORMAN JUDE: I hope the Chief Secretary will make some comments about the 60 per cent.

The Hon. A. J. Shard: I haven't any complaint about it.

The Hon. Sir NORMAN JUDE: The Chief Secretary said he was going to make a statement.

The Hon. A. J. Shard: No, I did not.

Clause passed.

Clause 18 passed.

Clause 19—"Offences."

The Hon. R. C. DeGARIS: I ask the Chief Secretary to be a little more specific about the meaning of subclause (5).

The Hon. A. J. SHARD: When I was in another State, I had experience of the very thing that this subclause sets out to prevent. Without this, a person would be entitled to receive from people the value of tickets, then purchase the tickets and collect any dividends for the persons concerned. Such a person would be an unlicensed agent. When I attended a conference at a certain hotel, a man would purchase tickets on behalf of other people. He was paid, I think, 10c for getting each ticket. The Parliamentary Draftsman considers that this clause is sufficient to prevent this from happening. It will not prevent three or four people from sharing tickets, but it will prevent somebody who has not been licensed from acting as an agent.

The Hon. R. C. DeGARIS: I thonght that was the meaning of the clause, and I accept the explanation.

The Hon. Sir ARTHUR RYMILL: I move:

In subclause (8) to strike out:

"or

(*d*) for any person, who is requested or authorized by the commission to do so, to print, exhibit or publish, or cause to be printed, exhibited or published any notice, placard, handbill, card, writing, sign or advertisement of any lottery, or of any proposal for any lottery."

The effect of this is that it will not be lawful for a person to do any advertising other than that set out in paragraphs (*a*), (*b*) and (*c*). It is clear under clause 13 that the commission is authorized to advertise (as it should be) but the Chief Secretary said that if paragraph (*d*) were struck out the commission would not be able to advertise. The initial words of subclause (8) provides that "it shall not be an offence under subsection (7) of this section or under any other enactment" for these things to be done. Subclause (7) relates to persons advertising that they or any other persons are authorized to sell tickets, and the reference to the commission there obviously excludes the commission from being a person referred to in that subclause. I could have moved for the deletion of the words "any person who is requested or authorized by" and "to do so", but, if I did, the words "cause to be printed, exhibited or published" would mean that the commission could get handbills printed and have them distributed among agents and thereby cause these things to be published. As a result, I thought it better to move that paragraph (*d*) be struck out.

The Hon. A. J. SHARD: I hope the Committee will not accept the amendment, as it will take away from the commission an advantage in advertising future lotteries. The Parliamentary Draftsman advises that this paragraph is necessary and that its only purpose is to exempt the commission from committing an offence if it does the things mentioned. Sir Arthur Rymill and some other honourable members seem to have the idea that too many placards will be displayed. It was said during the second reading debate that the commission could do what it wished, but clause 4 (3) provides:

In the exercise and discharge of its powers, duties, functions and authorities, the commission shall be subject to the control and directions of the Government of the State acting through the Minister; but no such direction shall be inconsistent with this Act.

The Government does not want lotteries to be like those in many other States, but it considers that paragraph (*d*) is necessary to exempt the commission. The matter will be subject to the control of the Government and the Minister. I think the Parliamentary Draftsman's point of view is the better way, and I ask the Committee not to accept the amendment.

The Committee divided on the amendment:

Ayes (7).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, C. M. Hill, H. K. Kemp, Sir Lyell McEwin, and Sir Arthur Rymill (teller).

Noes (8).—The Hons. D. H. L. Banfield, S. C. Bevan, R. A. Geddes, L. R. Hart, Sir Norman Jude, A. F. Kneebone, F. J. Potter, and A. J. Shard (teller).

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. Sir ARTHUR RYMILL moved:

In subclause (8) (*d*) to strike out "any person, who is requested or authorized by" and "to do so".

The CHAIRMAN: I do not think the honourable member can be permitted to do that. The Committee has just resolved that the words stand.

The Hon. Sir ARTHUR RYMILL: I accept your ruling, Sir.

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

After subclause (9) to insert the following new subclause:

(9a) An agent of the Commission shall not sell any tickets in a lottery except in

premises at which he is authorized by the Commission to sell tickets.
Penalty: Two hundred dollars.

This amendment deals with the question discussed earlier of selling on the streets, or "touting", as I believe it is called. It is possible to get a licence through local government to trade in this way on the streets, but this amendment would keep the agents within their premises. That is my intention. An agent could carry tickets to places of entertainment, like hotels and restaurants, which would not be a good thing. It might even get to the point of door-to-door selling, with perhaps intrusion into private residences. This amendment provides that the agent appointed by the commission must sell his tickets only within premises authorized by the commission.

The Hon. Sir Norman Jude: Is the honourable member objecting to the sale of tickets through a window of a shop to a person standing in the street?

The Hon. A. J. Shard: Don't go too deeply into that.

The Hon. C. M. HILL: No. Any shopkeeper can sell through a window under local government by-laws; he cannot be stopped from doing that. The control needed in that respect is if congestion is caused by pedestrians in the street crowding around a window. It is then a matter for the police to see that people can pass by freely. As I see it, we cannot stop lottery tickets being sold through open windows, as cigarettes are sold today. In fact, we shall see a lot more of that type of open window selling in the city as soon as a lottery gets under way.

The Hon. Sir Norman Jude: I was only questioning the phraseology "in premises". Is the man standing in the street "in the premises"?

The Hon. A. J. SHARD: The agent selling the tickets is within the premises. This amendment is in keeping with the Government's intention that everything should be reasonably fair, sound, and respectable. We feel that the intention of the Bill is the same as that of this amendment, which would definitely prohibit people from setting up tables on the footpath. That is the intention of the Bill. We are prepared to accept the amendment.

Amendment carried; clause as amended passed.

Clause 20, schedule and title passed.

Bill recommitted.

Clause 19—"Offences"—reconsidered.

The Hon. Sir ARTHUR RYMILL: At this stage I do not wish to commit myself to a particular amendment, because I want to hear the Chief Secretary.

The Hon. A. J. Shard: You have heard me. I want the clause as it is, and the Committee has indicated that it does, too.

The Hon. Sir ARTHUR RYMILL: In that case, I propose to move a limited amendment to the clause (and this is why I wanted to hear the Chief Secretary), which I think fulfils what he wants while not leaving the clause too wide. I move:

In subclause (8) (*d*) to leave out "any person, who is requested or authorized by" and "to do so".

That amendment gives the commission full power to do these things but it does not give any person power to do them, nor does it give the commission or the Government power to authorize other people to do them.

The Hon. A. J. SHARD: I hope the Committee does not accept this amendment. What would be the use of the commission's having the right to do this in one centre, while a person doing these things at the request of the commission would commit an offence? The commission could do them, but no-one else could.

The Hon. C. M. Hill: The commission could give the powers to an agent.

The Hon. A. J. SHARD: No, because an agent would be a person. It is an offence for a person to do this. The Committee is exempting only the commission.

The Hon. Sir Arthur Rymill: What do the words "cause to be published" mean?

The Hon. A. J. SHARD: I am not a lawyer and am not going to argue about the matter. The Committee decided that this provision was necessary, in the interests of the commission. I think it is the only way it can be done. If the Hon. Sir Arthur's amendment is accepted, the powers regarding advertising of prizes, and so on, will be limited to the commission.

The Hon. Sir ARTHUR RYMILL: I thought the whole burden of the Chief Secretary's song previously was that, if the whole clause were deleted, the commission would not be allowed to do this.

The Hon. A. J. Shard: Your amendment would allow only the commission to do it.

The Hon. Sir ARTHUR RYMILL: What is important is that the commission can also "cause to be published".

The Hon. A. J. Shard: Subclause (7) provides that a person shall not do things, not that the commission shall not.

The Hon. Sir ARTHUR RYMILL: I think the subclause is too wide. That is why I did

not move the amendment in the first instance. However, I am perfectly entitled to move this lesser amendment, and I suggest that it gives the commission all the powers it needs while not leaving in the hands of private individuals power in relation to what can and cannot be displayed on the streets. I think it is the duty of honourable members (and this is why I am so concerned) to keep advertisements off the streets of Adelaide and other places.

The Hon. A. J. SHARD: I have been told by the Parliamentary Draftsman, whose word I accept, without disrespect to my friend, that the commission can act only through individuals. If individuals publish, they commit an offence under other provisions. I ask the Committee not to accept the amendment.

The Hon. JESSIE COOPER: I support the amendment, because I consider that the Hon. Sir Arthur Rymill is trying to prevent advertising such as "Come and get in the Lucky Black Cat's lucky queue". He is trying to have something uniform authorized by the commission. The Chief Secretary has mentioned the advertising of results.

The Hon. A. J. Shard: If this amendment is carried, individuals will not be able to do that.

The Hon. Sir Arthur Rymill: That is not correct.

The Hon. JESSIE COOPER: Is the Government going to have published unofficial lists as well as official lists? In one State newspapers have the right to get unofficial lists as the marbles are drawn out of the barrel, and they publish first an unofficial list. This list is not always correct, but the newspapers protect themselves by notifying readers that it is an unofficial list. On the next day, an official list is published. I want to know whether that matter has been considered by the Government.

The Hon. C. M. HILL: I should like to hear further debate about the legal interpretations claimed by the Chief Secretary and by the Hon. Sir Arthur Rymill. Apart from that, I think there is much merit in the general intent of the amendment, and I argue on the same lines as the last speaker has argued. An agent may want to advertise in order to increase business and the commission could be embarrassed by applications from these agents. The commission may see the need for more publicity in one instance than in another.

Provision could be made here for advertising and printing of a uniform kind to be available. If an agent thought that he needed more publicity to sell more tickets, he could go to the commission and get certain advertisements, which would already have been printed by the commission and which could not be objected to, because they were uniform and would have been carefully considered before they were printed.

The Hon. A. J. SHARD: This is not so; subclause (8) (*a*) makes this clear, as it provides:

It shall not be an offence under subsection (7) of this section or under any other enactment for an agent of the commission or any person authorized by the commission to sell tickets in a lottery conducted by the commission, to display within or outside premises at which he is so authorized to sell such tickets a notice or notices bearing the words "Lottery Tickets Sold Here" without the addition of any other words, symbols or characters;

If the amendment is carried, only the commission will be authorized to do this, and any person who displays these things will commit an offence. We all want to ensure that this will not be exaggerated, but the matter will be under the control of the Government and the Minister. I think the amendment is too restrictive, as the commission's only hope of selling tickets would be through agents and, if the amendment were carried, this would be an offence.

The Hon. Sir ARTHUR RYMILL: I challenge what the Chief Secretary has said—that if my amendment is carried agents will not be able to display the results of lotteries.

The Hon. A. J. Shard: That is my information.

The Hon. Sir ARTHUR RYMILL: Under paragraph (*c*) it shall not be an offence for an agent of the commission to distribute or display any lists issued by the commision and referred to in paragraph (*b*), and paragraph (*b*) refers to the list of prize winners, etc.

The Hon. Sir LYELL McEWIN: I support the amendment. The Minister relates paragraph (*a*) to paragraph (*d*), but paragraph (*a*) refers to the places where tickets are sold. These placards and other things have nothing to do with the shops where tickets are sold. An enterprising man could display a placard on every post around the district. Where will these handbills and placards be used, if they are not to advertise a lottery?

The Hon. A. F. Kneebone: They must be authorized by the commission.

The Hon. S. C. Bevan: This provision is designed specifically to prevent this.

The Hon. C. M. HILL: This is a matter of the relationship between principal and agent. Here the commission is the principal, and it is given power to print and exhibit. It could exhibit in its agent's premises in the same way

as principals of national products advertise in places where their agents sell them. I am still to be convinced that there is nothing wrong in authorizing the commission to print and exhibit placards.

The Hon. F. J. Potter: The commission can do it only through agents.

The Hon. C. M. HILL: Yes, and it can probably do it only at the premises of the agents. This brings me back to the agent whose business is waning and who seeks further advertising by placards displayed in his premises.

The Hon. R. A. Geddes: Wouldn't you advertise if your business was going downhill?

The Hon. C. M. HILL: As an agent I would ask my principal to advertise, and that is the position here. The principal would give these placards to the agent and authorize him to display them.

The Hon. F. J. POTTER: Although I sympathize with what the Hon. Sir Arthur Rymill is trying to do, I consider that the amendment is inappropriate, because subclause (8) relates back to subclause (7), which deals with "persons". It seems to me to be unnecessary to have paragraph (*d*) relate purely and simply to the commission. I think the Parliamentary Draftsman is right. If the commission wants to do these things, it has to publish through an agent, so in effect we are saying that it is not an offence for the commission to authorize any person to do these things, which is exactly the same as the clause as drafted provides.

That is why I think the clause must relate to an offence by a person and not relate purely and simply to the commission. Whatever the individual does, it has to be authorized by the commission and, if the commission steps out of line, the Minister can step in and say that it is authorizing something that the Government does not want. The procedure will be that it will go from the Minister to the commission to the person, and subclause (8) deals with "person". I oppose the amendment.

The Hon. Sir NORMAN JUDE: I find now, like the Chief Secretary, that we are all more or less in agreement on this, but that means that we are disagreeing with the Parliamentary Draftsman's interpretation of this clause. I fail to understand the Hon. Mr. Potter's angle on this, because he says it deals with "a person". Subclause (8) (*a*) definitely limits it to an agent of the commission or any person authorized by the commission, whereas the Hon. Sir Arthur Rymill in paragraph (*d*) wants to limit it to the commission. If a person can put up other hoardings and boards in his place, why is it specifically stated in paragraph (*a*) "notice or notices bearing the words 'Lottery Tickets Sold Here' "? I support the modified amendment.

The Committee divided on the amendment:

Ayes (8).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, C. M. Hill, Sir Norman Jude, H. K. Kemp, Sir Lyell McEwin, and Sir Arthur Rymill (teller).

Noes (7).—The Hons. D. H. L. Banfield, S. C. Bevan, R. A. Geddes, L. R. Hart, A. F. Kneebone, F. J. Potter, and A. J. Shard (teller).

Majority of 1 for the Ayes.

Amendment thus carried; clause as further amended passed.

Bill read a third time and passed.

ADJOURNMENT.

At 5.55 p.m. the Council adjourned until Thursday, October 20, at 2.15 p.m.