LEGISLATIVE COUNCIL

Wednesday, November 2, 1966.

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

CROWN LANDS ACT AMENDMENT BILL.

His Excellency the Governor, by message, intimated that the Governor's Deputy had assented to the Bill.

JOINT HOUSE COMMITTEE.

The PRESIDENT: I have to inform the Council that I have received a letter from the Hon. A. F. Kneebone as follows:

I beg to inform you that it is my desire to be discharged from attending the Joint House Committee, of which I am a member, on account of pressure of Ministerial duties.

Yours respectfully,
(Signed) A. F. Kneebone.

QUESTIONS

LAKE BONNEY.

The Hon. Sir LYELL McEWIN: Has the Minister of Local Government, representing the Minister of Lands, an answer to a question I asked last week about clearing the inlet to Lake Bonney?

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

The old Nappers bridge included structural facilities which enabled the flow between the river and Lake Bonney via Chambers Creek to be controlled. However, with the abandonment of Lake Bonney as a source of irrigation water supply in 1931 and having regard to the small hydraulic gradient between the lake and the river, the reinstatement of a control device at the new bridge was not considered necessary. In practice, this has proved to be the case because of the fact that the lake has been maintained at a fairly even level commensurate with Lock 3 pool, and fluctuations depending on the rise and fall of the river have been gradual.

Deepening of the junction of Chambers Creek and Lake Bonney, on its own, is not expected to do much more than allow a greater proportion of saline water at depth to enter Chambers Creek, with consequent unsatisfactory conditions for those irrigating from the creek. Flow of such saline water to the river is not expected to occur unless the river level falls considerably, thus increasing the hydraulic gradient. The department cannot allow highly saline water to enter the river, unless a sufficient flow of fresh water is certain to follow immediately, not only to dilute the main stream but also to restore the level in Lock 3 pool and Lake Bonney without delay. Such circumstances occur naturally on rare occasions only, whilst their creation artificially could not be contemplated during the main irrigation season, and in any event only if proper devices were available to control flow between the lake and the river.

For these reasons the Lands Department holds the view that the proper course is to investigate and assess all the factors which may be relevant before deciding what can and should be done at the junction of Chambers Creek and Lake Bonney in conjunction with other works, without prejudicing the interests of irrigators. As promised to the deputation, such an investigation will be put in hand as soon as staff can be spared from more urgent work. The deepening of the junction, which may in due course be found to be a relatively minor part of the whole requirements, involves risks which the department is not prepared to take until a proper investigation has been completed.

MOUNT BOLD RESERVOIR.

The Hon. H. K. KEMP: Has the Minister representing the Minister of Agriculture an answer to a question I asked on October 26 about the planting of pines in the area surrounding the Mount Bold reservoir?

The Hon. S. C. BEVAN: Yes. My colleague, the Minister of Forests, informs me that the total area of the Engineering and Water Supply Department's reserve at Mount Bold is 5,420 acres. The area placed under the control of the Woods and Forests Department as being suitable for afforestation is 1,360 acres. The remainder (4,060 acres) is unlikely to be planted and is kept protected by the Engineering and Water Supply Department and the Woods and Forests Department, and the firebreaks established many years ago are essential to this protection.

EDUCATION DEPARTMENT EXPENSES.

The Hon. L. R. HART: I seek leave to make a brief statement prior to asking a question of the Minister representing the Minister of Education.

Leave granted.

The Hon. L. R. HART: In the early part of this week I believe that all honourable members received, with the compliments of the Minister of Education, a transcript of an address that he gave to a public meeting in the Bonython Hall on October 24 on the need for Commonwealth aid for education. This transcript was received by post at a cost of 8c a letter. In view of the fact that the Education Department is reported to be short of finance, and also that an instruction has been issued to schools that up to five letters may be posted in one envelope to the department, does the Minister believe that the cost

of posting this transcript was justified when it could have been placed in members' letter-boxes without cost to the department?

The Hon. A. F. KNEEBONE: I shall convey the honourable member's question to my colleague, the Minister of Education, and bring back a reply as soon as possible.

DEMONSTRATION.

The Hon. Sir ARTHUR RYMILL: I ask leave to make a statement in explanation of my question.

Leave granted.

The Hon. Sir ARTHUR RYMILL: My question is directed to you, Mr. President, and relates to the case of one Daniel Joseph Shaw who was charged with having loitered on the steps of Parliament House on October 21. I understand that this case was dealt with on Monday last. In the *Advertiser* of October 22 the Attorney-General (Mr. Dunstan) is reported to have said that the request for this man's removal from the steps of Parliament House had been made (and I quote):

> by the President of the Legislative Council, Mr. Densley, to the Commissioner of Police, Mr. McKinna.

In yesterday's *Advertiser* there is a report that the Chief Stipendiary Magistrate, Mr. Wilson, in his judgment in this case said:

> . . . the defendant had been informed by Inspector W. B. Budd, that the Speaker of the House of Assembly had requested the removal of the group.

As there appears to be some conflict in these reports, have you, Mr. President, any comment to make on this aspect of the Shaw case?

The PRESIDENT: The facts associated with the action taken in respect of demonstrations on the steps of Parliament House on Thursday, October 20, 1966, are as follow:

1. At about 5.30 p.m. on Thursday, October 20, 1966, I was told by one of our messengers that the Hon. the Speaker would like to see me urgently for a few minutes and I arranged for the Hon. M. B. Dawkins to take the Chair in my absence.

2. Mr. Speaker said he was astonished to see the placards and banners tied to the pillars of Parliament House and the mess on the steps and he asked for my support in their removal. I agreed and suggested that if Mr. Speaker's Sergeant-at-Arms was defied by the demonstrator he could ask the policeman in front of the House for his assistance. The Speaker and Sergeant-at-Arms later reported to me that he had ordered the removal of the placards but, after taking a vote, the demonstrator had refused to remove them.

3. Mr. Speaker then reported the matter to the Police Department and asked for its support in the removal of the placards. On leaving the building some time later, two young police officers were seen quietly standing on the footpath near the steps of Parliament House.

4. When I arrived at Parliament House next morning (Friday, 21st) I noticed the person and the placards still remained and I was met at my room by the Clerk of the House of Assembly and the Sergeant-at-Arms of the House of Assembly, who complained of the disregard of the order given to the person.

5. I telephoned the Commissioner of Police and informed him of the position and asked him to take action to have the steps of Parliament House cleared. I would point out at this stage that there were sleeping bags and that there is no public toilet accommodation in the vicinity.

6. Shortly after my request was made to the Commissioner of Police, the Sergeant-at-Arms of the House of Assembly returned to my room and reported that the police had arrived and the person had been placed in the police conveyance. He also reported that he had informed Mr. Speaker at his home and that he had concurred in the action I had taken and had given the cleaners instructions to clean up the mess.

7. Shortly afterwards the Hon. Attorney-General telephoned me to say that my action would provoke the same sort of thing all over Adelaide. The Attorney-General stated that the Government had previously discussed the matter and had agreed to let the sit-down take place and that Mr. Speaker had been so advised. My reply was that if the same type of conduct was provoked all over Adelaide the blame would rest squarely on the shoulders of the Hon. the Attorney-General.

8. On Wednesday, October 26, I was informed that a small group was on the steps of Parliament House with placards whereupon I had a conversation with Mr. Speaker in my room and he informed me that he had not been told of the Government decision but he thought that if the group were left alone, they would move on, which they did.

9. Mr. Speaker said that he did not feel that any objection could be taken to the occupancy of the steps providing no use was made of Parliament House for the attachment of placards, etc. He stated he had some doubts with regard to the control of the steps leading into Parliament House, to which I replied that the Joint House Committee Act clearly defined the position. Mr. Speaker stated he would

like to speak to his Party before making a decision and I pointed out it was a Joint House Committee responsibility and not a Party one.

10. Immediately on the rising of the Council on Thursday, October 27, I was informed that a further large party occupied Parliament House steps. I went to the Speaker's room and he was already in contact with the Commissioner of Police to ask him to come to Parliament House to discuss the position. Mr. Speaker informed the Commissioner that he had no objection to demonstrators standing on the steps of the Parliament House as long as they did not impede entry to the House and there was no interference with the House such as tying banners to the building or bad behaviour.

11. The cleaner informed me that he had cleaned up the mess of broken eggs, etc, on the steps and also that he had to clean out the light well which had been used as a lavatory.

12. On Friday, October 28, I agreed to interview a Miss Cooper at 11.00 a.m. and I was presented with a petition signed by several hundred people and told that she had presented to *The News* and *The Advertiser* a copy of the petition. Both newspapers telephoned while the lady was with me and asked if I had any comment to make but I made no comment. Miss Cooper informed me she was the President of the Labor Party at the university and that the object was to stress the right of people to demonstrate; but she was not associated with the Ban Vietnam or Hunger Strike.

HACKNEY BRIDGE.

The Hon. Sir NORMAN JUDE: Has the Minister of Roads a reply to the question I asked last week regarding the static position of work on the Hackney bridge?

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

Subsequent to a reply given to a similar question asked by Mr. Coumbe in the House of Assembly on September 28, 1966, there have been further developments in regard to the fabrication of the steel girders for the Hackney bridge. Although the remedial work necessary to correct the unsatisfactory steel has been completed, and fabrication recommenced, a crack subsequently developed in one of the welds on the top flange of a girder. This crack was caused by a faulty welding technique, and the department is now checking all similar welds in the other girders, in order to ascertain whether any other faults can be detected. Every effort is being made to finalize testing and to resume construction of this bridge. However, further progress depends entirely upon the outcome of the tests and, at the moment, it is not possible to give any indication of what, if any, remedial action has to be taken so that construction can resume. The date of completion of the structure is, therefore, indefinite.

GRAIN RATES REGULATION.

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

(For wording of motion, see page 2034.)

(Continued from October 26. Page 2529.)

The Hon. C. R. STORY (Midland): I support the motion. This regulation, which was brought down by the Minister of Transport, imposes substantial increases in the charges for the carriage of grain in this State. Probably the worst aspect of the regulation is that it contains not a constant rate over the whole of the State but a sliding scale of charges, which increase steeply as one gets farther away from the metropolis, to the point where the increase goes to a maximum of 33⅓ per cent, which, in anybody's language, is a steep increase.

The first point I should like to make is that cereal growers are located in South Australia, in the main, inside Goyder's line of rainfall, with certain exceptions where there are pockets of good soil and suitable growing conditions. So, we have certain areas that will produce crops, but they are not sure areas. I refer particularly to the Upper Murray mallee and to portions of the North and of the Far West Coast. It seems a strange thing that people who have gone out and pioneered these types of areas, and have had to put up with various vicissitudes, something which other people would not do, should be penalized, particularly when it comes to increased railway freight charges. This is not the only instance of increased charges, because it has happened in other public services. Water has always been difficult to obtain; electricity and good roads reach these people last; yet they carry on and make a useful contribution to the general economy of the State. It seems incongruous to me that the Government should impose a steep and, in my opinion, unfair increase on these people in the outer areas. I have a table that compares the old rates with the new. It has been worked out carefully and is to the best of my knowledge accurate. I do not intend to weary honourable members by reading the whole table, and I ask leave to have it inserted in *Hansard* without my reading it.

Leave granted.

COMPARISON OF ESTIMATED FREIGHT RATES.

(Amounts quoted exclude destination shunts and sheet hire. Percentages added are maximum of those quoted for mileage ranges.)

Agencies.	Mileage to Terminal. Miles.	Chains.	Rate a Bushel in Cents. Present.	Plus. Per cent.	Calculated Rate
Eudunda	67	31	8.250	6	8.745
Hoyleton	68	47	8.250	6	8.745
Tepko	70	45	8.625	6	9.1425
Burra	99	74	9.589	18	11.315
Sedan	100	47	9.777	18	11.537
Orroroo	95	15	9.589	18	11.315
Coombe	148	3	11.036	30	14.347
Wanbi	145	45	11.036	30	14.347
Kringin	168	41	11.196	33	14.891
Pata	170	13	11.384	33	15.141
Pinnaroo	167	39	11.196	33	14.891
Loxton	179	—	11.384	33	15.187

The Hon. C. R. STORY: From the table it can be seen that Eudunda is 67 miles 31 chains from Adelaide: that is the Railways Department's way of indicating that it is less than 68 miles. The present rate is 8.25c, and this is to be increased by 6 per cent to 8.745c a bushel. That is a fairly steep increase. Sedan, which is a marginal area, is 100 miles 47 chains by rail from Adelaide (it is very much shorter by road); the present rate is 9.777c, and there is to be an increase of 18 per cent to 11.537c a bushel, which is a large increase. Wanbi is a borderline district—reasonably good if there is rain but certainly not otherwise—and it is 145 miles 45 chains away. The present rate is 11.036c, and this is to be increased by 30 per cent to 14.347c a bushel. Pata, which is near Loxton and is marginal, is 170 miles 13 chains away; the present rate is 11.384c, and this is to be increased by 33 per cent to 15.141c a bushel. Loxton is 179 miles away; the present rate is 11.384c, and this is to be increased by 33 per cent to 15.187c a bushel.

These are steep increases. I do not object completely to the increases, as I know that the Railways Department must do its best to pay and that it has to meet certain increases in running costs, but I object to the way these increases have been constructed. The Minister has explained that he considers there will be a slight wastage to road transport by virtue of the increased rates. I do not think that is a real justification for keeping the freight charges down very low in the inside country and trying to make up the difference in the marginal country. I know the Minister has explained that some of these increases on the long hauls are from Wallaroo to Victoria, but this cartage takes place only on occasions when Victoria has not sufficient barley to meet its needs for malting and feed. In a year such as this the tonnage will probably drop, because Victoria is experiencing a much better year in its barley-growing areas.

The Hon. C. D. Rowe: That affects Yorke Peninsula.

The Hon. C. R. STORY: It does.

The Hon. C. D. Rowe: It would not matter if we had a deep sea port there.

The Hon. C. R. STORY: Even with the present position, much of this barley is being lifted by ship. It will go from Wallaroo in the future, and the railways will not get as much freight as in the past from that source.

The Hon. A. F. Kneebone: I agree with that, so the revenue to the railways will be lower.

The Hon. C. R. STORY: Yes. Therefore, I think that increasing rates by 33⅓ per cent on the long hauls, which the Minister is hoping will give extra revenue, will not produce this result, because some of the trade will be lost and there will be a levy on the unfortunate people in the perimeter areas of up to 33⅓ per cent. The freight charge from Wallaroo to Victoria is not raised on the individual farmer, but the imposition of a 33⅓ per cent increase on him imposes a hardship. Therefore, I think the suggestion made by the Hon. Mr. Hart and the Hon. Mr. Gilfillan that the Minister review the matter, and have 25 per cent the highest increase and spread it more equitably over the rest of the producers, should be considered.

It seems to me that the danger that the Minister and his advisers see in this is competition from road transport. The Government has allowed for only a 2½ per cent wastage. As the Hon. Mr. Gilfillan pointed out, once the

farmer has his wheat on the vehicle and it is rolling it does not matter how far it is carried, and I think the Minister will find that he will lose more as a result of competition from road transport. I think it is grossly unfair that the freight on grain from marginal lands should be increased by 33⅓ per cent. A gentleman who has written to me sums up what many of us are thinking. He says:

As Secretary of the Custon-Wolseley Branch of the Australian Primary Producers Union, I wish to commend you on your efforts to have the recent rail freight increases on grain disallowed.

This testimonial is, of course, completely unsolicited. I do not know of this gentleman. I have not heard of him before, but I must say I agree with him. He continues:

Our members and the members of other branches of the A.P.P.U. in Tatiara (with whom I am in close touch) grow a large quantity of grain, and they all express concern at the savage increase in grain freight increases on the longer hauls. The growers in this area already pay about 13c a bushel freight on wheat, and a 33⅓ per cent increase would be considerable. It is felt generally that a small percentage increase all over would be much fairer.

Dare I agree with him? He continues:

Even then we would pay a bigger increase per bushel than those fortunate enough to be living closer to the terminals (and which we accept).

They accept that, and so do I. He continues:

Farm costs are rising at a frightening rate and it is a pity that the powers that be don't try to put their own house in order instead of continually urging the farmer to cut his costs, be more efficient, work harder and produce more.

This is the old catchery. It is the term used by politicians and other people who go to the country shows and say to the primary producer, "We have to cut our costs; we have to become more efficient." Nobody ever thinks that anybody else has costs to meet. The railways are supposed to absorb their costs, but at least the railways have the Treasury behind them, but the primary producer has not: he has to absorb his costs. He has nowhere to kick them back to. I will continue with this letter; the good part is now to come:

This present "Government" is doing nothing to encourage people to live on the land. As a matter of fact, it doesn't seem to be doing anything for anyone. Trusting that your effort will succeed, yours truly, W. Griffiths.

The Hon. D. H. L. Banfield: It just shows that he would not know what he was talking about.

The Hon. C. D. Rowe: He agrees with the Labor Party policy statement that increased fares are not the answer.

The Hon. D. H. L. Banfield: Don't read it again; I couldn't take it!

The Hon. C. R. STORY: I have several others that I may read if I'm provoked.

The Hon. A. J. Shard: Keep going!

The Hon. C. R. STORY: We have now reached the stage where I have made it clear that I am not in favour of the outside area being loaded up with increased costs.

The Hon. D. H. L. Banfield: You are in favour of the motion?

The Hon. C. R. STORY: Yes, but I am not in favour of what the regulation does. Some interesting points arise from the speech of the Minister. Either he or his adviser (whoever prepared it) has given much thought to it. I cannot disagree with all of it but there are some things in it on which I join issue with the honourable gentleman. For instance, he states:

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.

I do not think we in this Council have a record of disallowing regulations, which the honourable member thinks we are in the habit of doing.

The Hon. A. F. Kneebone: I am going only by your actions in regard to this regulation.

The Hon. C. R. STORY: Honourable members who occupy positions in Parliament have an obligation, which is to see that all sections of the community are given a reasonably good go. The simple request made is that the Government surrender a figure between $24,000 and $78,000—one figure being quoted by the mover of the motion, and the other by the Minister.

The Hon. A. F. Kneebone: But you are wanting to disallow the whole regulation?

The Hon. C. R. STORY: Yes, but we expected that the Minister might bring down another regulation with some amendments within a week. There is a figure round about $24,000, which I believe to be the accurate figure.

The Hon. A. F. Kneebone: There is no guarantee that the honourable member would accept any further regulation brought down.

The Hon. C. R. STORY: We are men of honour and are trying to indicate to the Minister what would be acceptable.

The Hon. A. F. Kneebone: We heard this same thing about succession duties but, when we brought down another Bill this year, we found that that, too, did not seem to be acceptable.

The Hon. C. R. STORY: I hate to clash with the President on matters that I am not speaking to but we will deal with succession duties when we come to them. Honourable members have a right to protect minority groups, and that is what this motion sets out to do. The Minister says:

It is the policy of the 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.

The freight rates were no doubt due for a review (I do not dispute that; neither do the people who wrote me the letters) but we complain bitterly about the way in which it is put on us. As far as I know, no consultation was taken with grower organizations, which are fairly good judges of what is fair and equitable for all their members. They are elected people and they stand by what they do. It is not right for the Minister to say that this practice is not indulged in—because it is in respect of other commodities.

The Hon. A. F. Kneebone: It was not indulged in in other things.

The Hon. C. R. STORY: It may not have been done with wheat on the railways, but it is done by the railways in other commodities. Frequently, we negotiate in citrus and dried fruit our contract rates, and we do this at round-table conferences. I do not know why this cannot be done in exactly the same way. This regulation was brought in because the Government needed more money; it had to have the money to do the job.

The Minister has been at some pains here to provide us with a nice little schedule setting out the years, the tonnages carried, the revenue gained per annum, the earnings a ton, the rate a bushel, the index, the average hourly wage, daily weekly paid, and the index. It is not our fault, and it is not the fault of the farmer, that the rate has increased to the railways in cents an hour from about 98 in 1962-63 to about 101 in 1963-64. We take the responsibility for that, but in 1964-65 it increased to 113.232c, and it has now in 1965-66 gone up to 113.998c. We cannot blame the farmer for this increase in cost to the railways. Honourable members cannot blame this Party for it, either; the blame must lie with the Government because the first thing it did before it had time to hit the nest was to grant service pay to the Railways Department's employees in particular. The Government also went into court and advocated a figure far greater than the $2 increase given in the basic wage.

In any case, the Government supported the case, and I know it is not trying to hide anything but is open and frank about it. However, it is wrong to say that one section of Parliament represents only the primary producer, because that statement is not correct. It is the primary producer who must absorb the proposed increased costs to which this motion refers. I want to see the railways pay their way, but I also want an equitable distribution of expenditure over the whole community, and that is not being done in this instance. The Minister had the Road and Railway Transport Act Amendment Bill before this Chamber in the previous session and the same point was raised, namely, that about 70 per cent of the business was concerned with primary production. Of the $11,000,000 comprising general trade about $2,500,000 would consist of grain and wool and about $800,000 of various other commodities. The figures represent a large sum in direct support of the railways.

The business from the metropolitan area, the industrial producing area of the State, to country areas is considerable. A tremendous amount of that production is taken by rail and I believe that that section is making a satisfactory contribution. What the Minister has said is that the increase in the earnings a bushel has amounted to 14 per cent over the last 10 years while the average rail rate has increased by 36 per cent. The Minister mentioned the $2 increase a week, but I think I have made it clear that this is not the fault of the primary producers, particularly those in far-out areas.

The Hon. G. J. Gilfillan: It is not a good argument for the railways, is it?

The Hon. C. R. STORY: No, it is not. I know the Minister must defend his policy and I know that he has some hard taskmasters in the railways, but the Minister has said that this is a cry always directed towards sectional interests and those they represent.

The Hon. A. F. Kneebone: Meaning the Party of which I am a member?

The Hon. D. H. L. Banfield: But they do not cry about the worker in the same manner.

The Hon. C. R. STORY: The only crying going on lately has been when a member of my Party introduced a private member's Bill to improve the lot of the worker. The crying occurred because the Labor Party did not get in first and was a little sorry about it.

The Hon. A. J. Shard: It took about five pages of amendments to make any sort of a Bill out of it.

The Hon. C. R. STORY: No. The principle—

The Hon. A. J. Shard: The principle would not have been worth two bob without them!

The Hon. C. R. STORY: The principle was not altered.

The Hon. Sir Arthur Rymill: Is the honourable member speaking about the motion relating to the metropolitan milk supply or the restaurant and fish shops?

The Hon. C. R. STORY: The Minister led me into this. I like the part in his speech that mentions the taxpayer heavily subsidizing the railway freights. On examination, it would be interesting to know how much money the taxpayer has given in subsidizing passenger rates and how much in subsidizing the Municipal Tramways Trust over a number of years.

The Hon. R. C. DeGaris: I think about 75 per cent of the total revenue that comes from country freight.

The Hon. C. R. STORY: I think that the Minister agrees on that, but for him to say the rest of the taxpayers are subsidizing the railways amuses me because some of the most heavily taxed people in the State are those who derive their livelihood from the land.

The Hon. A. J. Shard: They have never made any money; they are always crying!

The Hon. C. R. STORY: I would not say they are crying. I am looking after some of the people residing in distant areas who may be justified in crying. The primary producer pays his share of rates and taxes; he also is bled fairly well, as I can see when looking at the Succession Duties Bill. I think the Minister might like to re-cast his statement about the rest of the community subsidizing the grain-grower, because such a statement is incorrect. While an increase in freight rates may be necessary, this is not the way to go about it.

I think I have covered most points and I have been as charitable as possible in doing so. I have not wanted to exploit completely what has been said but I have merely put over a message, and I hope in view of that the Minister will not feel too harshly about the matter and will give consideration to my comments when he presents his amended regulation for the consideration of this Council. I support the motion.

The Hon. H. K. KEMP (Southern): I think one or two matters have been omitted in this debate that should have been drawn to the attention of the Government. The Hon. Mr. Story mentioned a cross-section and how increased freight rates would hit the Murray Mallee area. That should be added to by quoting the maximum freight increases south of those areas, taking in the whole of the Pinnaroo and Lameroo areas to a point halfway between Lameroo and Geranium, and then south of the main line south of Tintinara.

Such areas represent large grain-growing districts in South Australia and I cannot help noticing that the figures given by the Minister when discussing this matter on October 19 are artificially low. He makes a statement:

Only 95,000 tons of grain were hauled more than 130 miles from this area.

I point out that last year was one of abnormally low grain yields in much of this area, which is again faced with another crop failure. It is not until Bordertown is reached that yields were something like normal. We have heard about the great wheat crop that is coming, but I do not think the Government appreciates that there has been utter and complete crop failure in the northern part of the Murray Mallee, and people in this area will be the ones most affected.

The Hon. S. C. Bevan: If the crop is a complete failure, the people will not have any freight rates to pay.

The Hon. H. K. KEMP: These freight rates will go on for ever, and the people concerned have had two bad years. Is it any wonder that many farmers in this area have almost a persecution complex? They consider that the Government is attacking them. People in the Keith and Tintinara area have been prevented from developing the country through lack of water, and now this sort of increase is being imposed on them. I think the only thing to do is to give fair warning to the Government of much unpopularity in this area.

The Hon. L. R. HART (Midland): I thank honourable members for the support they have given to the motion for disallowance of this regulation. No doubt, if the Government is sincere in its desire to promote increased productivity in South Australia, it will have taken heed of the arguments that have been advanced and, as the Hon. Mr. Story has said, it will

endeavour to bring in a regulation that will give relief to the people involved in long distance haulage. When the Minister spoke on the motion a week or so ago, he was critical of the move to disallow the regulation. Indeed, he implied that this Council would be acting in an irresponsible manner if it did so. Of course, we have been called irresponsible individuals before by a very learned gentleman in another place and that does not unduly disturb us.

However, it must be recognized that the function of an Opposition is not to stand idly by while the Government of the day, by its reckless handling of the State's finances, finds it necessary continually to increase charges on the community and thereby place certain industries at a distinct trading disadvantage. It should be remembered that the primary producer has to sell his surplus production on the world market, often in competition with subsidized products from other countries, while he purchases his requirements on the highly-protected home market.

The Minister went on to emphasize that the taxpayer was heavily subsidizing the primary producer. I considered that this was an unfortunate, ill-timed and unwarranted statement by a responsible Minister and that it would, on investigation, prove to be completely unfounded. The regulation with which we are dealing relates to railway freight rates, so let us investigate the Minister's statement that the taxpayer is heavily subsidizing the primary producer, particularly the graingrower. We shall then find out who is subsidizing whom. Wheat marketing is carried on under what is known as the wheat stabilization scheme and, since wheat stabilization was first introduced from and including the 1948-49 season, the Australian wheatgrower has subsidized the users of wheat in Australia by more than $218,000,000. This figure does not separate the amount paid by the grower in freight rates to terminal ports.

These freight rates are known as differentials and are deductions made from the graingrower's cheques. These differentials vary from station to station and this regulation will increase the differentials and thereby increase the deductions that will be made from the income of graingrowers. During this time and up to and including the 1963-64 season, the last completed pool, the wheatgrower supplied his product to the Australian consumer at a net cost of production figure. In other words if, for example, a five per cent margin of profit was charged to the Australian consumer by the wheatgrower, the amount for the 17 years under review would have been about $68,000,000. If the profit margin was calculated at 10 per cent (and, in comparison with secondary industry for the period, this would appear to be a reasonable figure), the additional cost to the consumer would have been $136,000,000.

By comparison, payments to the wheat stabilization fund by the Commonwealth Government have amounted to only $44,000,000, so I ask the Minister who is subsidizing whom. The amount of $218,000,000, which represents the amount of subsidization to the Australian consumers of wheat, is based on the ruling export average price for wheat and flour as compared with the cost of production f.a.q. price for the respective seasons. When I moved this motion I said that the regulations would tend to affect the cost of production figure. The new cost of production figure for wheat will be announced on December 1 this year and it is expected that, without increased rail freight charges, this cost of production will be higher because of certain factors. The increased rates provided for in the regulation will tend to further increase the figure.

Grain is undoubtedly one of the few commodities that the railways have found payable to handle, and I do not think the Minister will deny that. The total income of the Railways Department in the last five years has been $144,580,000 and, of this total, grain has contributed $18,485,000, or nearly 13 per cent of all revenue. In fact, the grain earnings are exceeded only by earnings from minerals and general merchandise.

The Minister has stated that this is not a sectional tax, that fares and other freight rates have been increased. However, the Minister must know that the primary producer is affected by these charges, both directly and indirectly. They affect his cost both ways, because he uses the railways to ship away his products and to transport his products to the nearest siding. Then the Minister went on to say that the dieselization of the railways is, for all practical purposes, complete, and that further cost rises cannot be absorbed. I accept that, but what is the position with the primary producer? He is expected to absorb any increased charges that may be applied to him. Let us have a look at the position of some of these charges over recent months. Since this Government has been in power there have been increased harbour dues, land taxes, water rates, freight charges, local government rates,

insurance charges (particularly workmen's compensation), stamp duties, superphosphate prices, costs of machinery, and increases in various licences, as well as a $2 basic wage increase.

Against this, and these are only some of the increases, the primary-producer sideline issues are on the downgrade. Lamb prices this year are probably $2 a head lower than they were last year; the freezing works are full of broiler chickens, for which no ready market can be found; and egg prices are down because of over-production. Yet, the primary producer is expected to absorb all of the increases I have mentioned and at the same time take less for what he produces.

The matter of succession duties is *sub judice*. I would probably not be allowed to debate them now, but if this Government has its own way no doubt the primary producer will be affected to some considerable degree by increased succession duties. It has been said that it is the last straw that breaks the camel's back, but judging by the way the primary producer is being treated he will not get that straw to break his back. He will probably be living on straw before this is finished. I ask the Minister to consider the points that have been brought forward, and I suggest that he amend the regulation so as to give some concession on long haulage rates to people affected by them, because the State relies upon these people for its increased productivity. I commend the motion to honourable members.

Motion negatived.

PLANNING AND DEVELOPMENT BILL.

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

TRAVELLING STOCK RESERVE: HUNDRED OF NAPPERBY.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:

That section 346, Hundred of Napperby, which is portion of a reserve for a camping ground for travelling stock (as shown on the plan laid before Parliament on June 21, 1966), be resumed in terms of section 136 of the Pastoral Act, 1936-1960, for the purpose of being dealt with as Crown lands.

The Hon. S. C. BEVAN (Minister of Local Government): The section in question contains 22½ acres and was reserved in 1928, together with the adjoining section 345, hundred of Napperby, as a reserve for a camping ground for travelling stock and was placed under the care, control and management of the District Council of Port Pirie. The council has asked that section 346 be resumed from the reserve and made available to the council for development as a picnic ground. The Pastoral Board raises no objection to the proposal, and the Stock Owners' Association, whose views have been sought, is also in agreement. I ask that the resolution be agreed to.

The Hon. Sir LYELL McEWIN (Leader of the Opposition): This message has just come from another place. I do not know whether other honourable members are familiar with its contents. We should have the opportunity to examine it and, in view of that, I ask that I have leave to continue my remarks.

Leave granted; debate adjourned.

DOG-RACING CONTROL BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 2652.)

The Hon. H. K. KEMP (Southern): In speaking to this Bill, I think most honourable members have approached the matter along the line that they have not been very fully informed, and with the feeling, more or less, that if sufficient people were interested in dog-racing to make it a success there was no reason why they should not have the opportunity to do so. I believe that is the view overall that I must take.

I have found on looking around and questioning people interested in this matter that there seems to be very little public interest indeed; in fact, in some of the districts I have been in since this matter has been before Parliament there is merely a vague feeling that it is possibly increasing unnecessarily the distractions that are in front of people and increasing the opportunities for gambling, which is not very desirable. There is actually very little interest in this matter, except by the people who are directly concerned in dog-racing itself. Among the coursing fraternity (if I may call it that), which is quite strong in portions of my district, the feeling is of opposition. These people have been running their sport as amateurs. They are not too deeply interested and certainly they have not great favour towards dog-racing. They believe that coursing is possibly much more important than is dog-racing in the organized manner proposed.

There are in some of the churches quite strong feelings against dog-racing, but I think the public feeling, as far as I can assess it, is one of disinterest. I think most people ask why, if enough people are interested, they should not have dog-racing.

Strong lobbying has been going on by people interested in the subject—lobbying of a strength that we do not usually get in this Council. I think it is certain that we have had all the desirable points put before us very ably, and I think there is not much doubt that very much more attention has been given to this side than has been given to the other by the people who oppose the introduction of dog-racing in this State; that is, the Royal Society for the Prevention of Cruelty to Animals and similar bodies.

I find that practically none of us has had any direct personal experience in dog-racing and its consequences. Only one honourable member (the Hon. Mrs. Cooper) has expressed herself very forcefully on her direct personal experience in dog-racing. This raises the point whether we should be ruling on the Bill with the very small actual knowledge that we have.

Practically the whole of our knowledge on this subject has been derived from two sources—the people who are very deeply interested in its promotion and who I think must therefore be considered to be not without some bias, and one of our own members (the Hon. Mrs. Cooper) who has obviously had experience some years ago that has led her to have the greatest misgivings about the introduction of dog-racing in this State. I do not think we can let these misgivings go without taking heed of them.

I have been trying to get information apart from that from these two sources, but I have completely failed to do so in the limited time available to me, and I therefore must make a decision on the limited amount of information that we have had put before us in the debate. I can find no guidance of any consequence from the Lower House. In fact, the whole Bill seems to have been very curiously handled—so curiously that it leads me to stop and think that we should consider this matter carefully.

Obviously, in dog-racing we are introducing to the community a very important entertainment and many people will sustain that entertainment. If successful it will have very great consequences in the community for many years to come. This could be a very important thing. The Bill was introduced in the House of Assembly as a private member's Bill and it was either supported by every Government member there or, if Government members did not support it, they were absent and did not vote against it. It has been voted against by some of our most experienced people, and I think we must stop and look at it very carefully before we let it go forward.

Certainly the very grave abuses that the Hon. Mrs. Cooper has reported as being attached to dog-racing, as she knew it in Sydney some years ago, are not in any way guarded against in the legislation as it stands before us. I think it is very important that we find out just what abuses are likely to arise and, if the legislation passes, make sure that there are safeguards that will bring the direst penalty if such practices are ever attached to the racing here.

In this Chamber, although this was a private member's Bill in the Lower House, we saw that, curiously, it was introduced by a Minister here and was therefore given the status of a Government Bill, without there being any real force behind its introduction. There is something severely wrong here, and I think this must be again looked at to see why it has been handled in this way. With all these doubts in my mind I still think that if dog-racing can be introduced to South Australia, and it is, as its sponsors claim, completely free from the abuses that have been attached to it in other States, and that it is a clean, humane sport that interests a large number of people, there is no reason why it should not be given to the people of this State. However, we must make sure that it is free of the abuses practised in other States. If we find that abuses are attached to it, we must make sure that the legislation has the safeguards that can prevent their appearing here.

With all this in view, I intend to support the second reading of the Bill, but I will move that it be referred to a Select Committee of this Chamber so that these matters can be examined systematically and thoroughly. Then the Bill can be brought back to us with no mistake when the legislation goes through. I support the Bill.

The Hon. C. M. HILL (Central No. 2): Like the Hon. Mr. Kemp, I think that considering the Bill is rather difficult, because I, too, have noticed some extreme views about it. On the one hand I have been approached by the group of people forming the Anti-Tin-Hare Racing League of South Australia, which, of course, is strongly against the measure, and on the other hand by a small group of people who are greyhound enthusiasts and are very keen to see the Bill passed in this Chamber.

It is very difficult when one can hear only these two extreme views, because obviously in many ways they are conflicting views. One

finds it very hard to get an in-between opinion on this subject from people who know the facts but have not formed a view one way or another. I do not want to be unfair to either side. I consider my role to be one in which I try to reflect the general opinion within the community, and particularly that within my electoral district. I recognize that within the community today there is a greater variety of sport than there was years ago, and that there are more sporting interests. I acknowledge this trend. I try to view the whole matter in a broad-minded way. Even small groups of people who find interest in a particular sport should receive consideration in the same way as the large groups, which come forward and which have a greater ability, because of their numbers, to put their case before us.

On the other hand, I cannot help but be impressed by the dire warnings circulated in the brochure and letters issued by this league. I was particularly impressed by the Hon. Mrs. Cooper who, I think, displayed great courage in coming down on the side that she did. She felt strongly and she expressed her views in no uncertain manner. I am influenced to a degree by what she said. There is no doubt that there may be in this sport today (let us forget for a moment what has happened in the past), the cruelty about which we have read. Thus, one cannot help but become cautious in viewing this matter. Therefore, I read the Bill to see what kind of safeguards were written into it because, if sufficient safeguards were written into it, I would be prepared to support it. The safeguard I find written in is in clause 7, which states:

> Any person authorized in that behalf by the Minister or the President of the Royal Society for the Prevention of Cruelty to Animals . . . and any member of the Police Force may at any time enter any premises where any dog is being trained for the purpose of dog-racing . . .

He carries out instructions to see whether there are any indications of the cruel practices about which we have heard and read. Subclause (2) states that any person who prevents or hinders such an inspection shall be guilty of an offence against the Act. I was pleased to see that safeguard written in. I commend the author of it for seeing that that was done, but whether or not that goes far enough is the question. Personally, I do not think it does—at least, to satisfy my view.

I was interested to hear the last speaker say that he would take further action after the second reading debate so that the whole question could be examined in Committee more closely than we have been able to examine it so far. That was a good suggestion. An idea has crossed my mind about safeguards. It may be possible to see that every person who owns and races a dog is a member of a racing club. I could not find anywhere in the Bill that it was necessary for such a person to be a member of a dog-racing club. Such clubs have to be licensed but if those who race dogs had to be members of a club or of several clubs that would be another safeguard. Secondly, if the clubs themselves were placed in a position where they would suffer a severe penalty if any of their members were found guilty of some of these shocking offences about which we have read, there would be an extreme safeguard in the whole approach to this question. If the club was made responsible for all its members and their practices, that would satisfy me on this point.

The Hon. A. J. Shard: I suggest that possibly clause 8 (*d*), regulations, would cover most of your points. It states:

> prescribing conditions subject to which a licence may be granted under this Act.

The regulations would cover all your points.

The Hon. C. M. HILL: It could cover the point of a man racing a dog having to be a member of a club, but the second point cannot be covered by the regulations, because the penalty under the regulations is a fine not exceeding $100. I had in mind a penalty as severe as revoking the licence of a club for a period of, say, five years if a member of that club was found guilty of any of these offences. I know that sounds very severe but I also know that some of the cruelties mentioned here must be balanced against the severity of that suggestion. It could be held that it would be unfair to a club to expect it or its management committee to police the training, the actions and the practices of all its members but, if we are honest with ourselves, I think that clubs of this kind, or their senior members, will know well what is going on and, if they have any suspicions that practices of this kind are being carried on by their members, it is up to the management committee of that club to take action against a person or persons before any offence is found by the people who have the right to inspect the training grounds and courses. These thoughts crossed my mind when I was considering the Bill. I am prepared to support its second reading but I reserve my right to change my opinion, depending on the procedures that take place after the second reading debate. Overall, I shall be, in

the main, influenced by the extent or degree of further safeguards that can be written into this Bill to ensure that in South Australia these cruel practices shall not take place.

The Hon. Sir NORMAN JUDE (Southern): I congratulate the honourable member who has just resumed his seat on making a sincere contribution to the debate. It is not my wish to cast a silent vote on this matter, because once again the citizens of this State (maybe in a minority group) are to suffer a limitation on their right to enjoy themselves as they wish to in their leisure moments. It is obvious (and we may as well face up to it and not be obscure in any way) that betting and gambling must be associated with dog-racing or, to put it in the vernacular, tin-hare racing. However, here is an extraordinary anomaly that should not be allowed. We have heard honourable members discussing abuses associated with blooding of dogs for coursing after tin hares on a track and yet no objection has been raised by any of those members to live hare coursing where betting is allowed openly at fixtures such as the Waterloo Cup. This is an extraordinary attitude on the part of those who object to blood sports of any kind.

The Hon. R. C. DeGaris: I do not think that is quite right.

The Hon. Sir NORMAN JUDE: I am making my speech. Look at it in another way: it is not many years ago that live pigeon shooting was carried on and I participated from time to time, generally at the request of some of my friends, in order to help make the day, and on many such occasions I was shooting for charitable purposes. I was never keen about doing this, with birds being brought 200 or 300 miles in crates, let go, and shot at, and inevitably a few got away wounded. However, in the district from which I came few birds did get away.

I have no hesitation in saying that betting went on openly at that type of shooting. I recall that, on the second of a three-day racing meeting in the South-East, a pigeon shoot was organized at which bookmakers were in attendance. I think they may even have been given a licence on that occasion similar to the special licence issued at the time of a Waterloo Cup meeting. Why should we object to people wanting to race dogs on a track, under organized authority, by becoming members of a club where obviously anything objectionable can be controlled if those in authority are determined to control it?

The Hon. A. J. Shard: All honourable members are in agreement with that.

The Hon. Sir NORMAN JUDE: I am in agreement with the Chief Secretary for once; rather, I think it is now the second time this session. I do not think there is any need to go further into this matter, except to say that one can wager on trotting and live hare coursing so why should there be any objection to a minority of people who wish to race tin hares on an organized course under proper authority? I agree entirely with the Hon. Mr. Hill that the necessary safeguards can be written into the regulations. I support the Bill.

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

STAMP DUTIES ACT AMENDMENT BILL.

Read a third time and passed.

SUCCESSION DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 2641.)

The Hon. F. J. POTTER (Central No. 2): This Bill was before this Chamber in a slightly different form last session and it was rejected on the second reading. Suggestions have already been made during debate this time that this is a different Bill from the one previously before us. We even had the Hon. Mr. Kneebone interjecting this afternoon during another debate that the Government brought down a different Succession Duties Bill to meet the objections raised during last session. All I can say is that I have had a good look at this Bill and, as far as I can see, with the exception of two major clauses and a part of the schedule, it is exactly the same Bill, word for word, as presented last session.

If the Minister thinks that, in the newly drafted clause 29, Part IVB, and with the re-hash of the schedules to the Bill, such alterations have met the objections that members raised last session, then he should have another think about the matter. As far as I am aware, in the last session some honourable members stated that they would have no objection to the Bill if the actual rate of succession duty was raised by the Government in order to gain extra revenue. However, those members stated that they would vigorously oppose the principle of aggregation as proposed by that Bill. On looking at the Bill before us, it can be seen that it is still the same strange hybrid Bill presented last session, because it still

provides for the aggregation of property and yet, as a sweetener to the bitter pill of aggregation, it still has embodied in it in the principle or notion that the duty will be charged on a succession.

When I last spoke on the previous measure I said something was fundamentally wrong in aggregating property, as in a system of an estate duty, and at the same time retaining the principle of taxing the individual succession. My criticism of last session still applies. I think that the Government has not realized the enormous administrative difficulties that will be raised if this Bill is made law; that is, difficulties caused to the Government department charged with administering the Bill. Such difficulties will also apply to trustees and administrators of wills who have to fulfil their duties in the administration of estates. It has been said (I think by the Minister during his speech) that the Bill is designed to raise an additional $1,000,000 in revenue.

We know that the Government is short of money and that before it took office the then Leader of the Opposition said that he would amalgamate the Savings Bank and the State Bank and so solve all the financial problems the Government would face in putting into operation its programme of legislation. We have not heard any more about that. However, the Government is not going to attempt to amalgamate the assets of two banks in order to get $1,000,000: it is going to aggregate the propery of people who, when they die, have property, whether in joint names or in their own names.

It is interesting to note that the Treasurer, in his speech on the Estimates as contained in the Parliamentary Papers, did not mention exactly how much would be raised by this Bill. All he said was that a certain amount was expected in this financial year but that in future years the amount coming to the Treasury would be greatly in excess of the amount mentioned in the report, which I think was about $200,000. No-one can forctell how much duty will be raised by this measure. I forecast that the amount raised will be greatly in excess of the alleged amount of $1,000,000, and I do so for several reasons.

The first is the aggregation of property itself, and I shall mention several important matters. As I said in relation to the Bill introduced last year, it must not be forgotten that the Bill, as drawn, does not only aggregate property held jointly by any person, but clause 8 (*e*) provides that with property to be aggregated is to be included property given or accruing to any person under any settlement, such property being deemed to be derived on the death of the settlor or other person upon or after whose death the trusts or dispositions took effect. This is a perfect example of the difficulties and unfair results of applying the principle of aggregation, because although that provision is contained in section 20 of the Act—

The Hon. C. D. Rowe: It is in slightly different verbiage, I think.

The Hon. F. J. POTTER: Section 20 provides:

> The property given or accruing to any person under any deed or gift shall be chargeable with succession duty according to the scale in the second schedule hereto, immediately after the death of the donor, if he dies within 12 months after the date of the deed of gift.

In other words, if was the subject matter of a Form U. Duty imposed in those circumstances is quite foreign to an estate duty but it is perfectly fair and reasonable where the succession is charged separately under a Form U. If we are going to bring those into a property included under the aggregation principle, we shall not only bring in property in which the deceased, perhaps, had some limited interest, but we are also going to aggregate property in which the deceased might not have had any interest whatsoever. I propose to repeat the example I gave last year in the debate on the Bill before the Council at that time, as reported at page 3624 of *Hansard*. I said:

> If I make a settlement on my children but reserve a life interest during my lifetime, then I suppose it could be fairly said that on my death, when my life interest in that property ceases, the interest that my children take under the settlement should be aggregated with what else they get from me under my will.

That is, of course, if we follow an estate duty principle. I went on to say:

> I suppose that that would be in accordance with the proper principles behind estate duty and it probably could be said to be reasonable enough, even under succession duty, provided it was separately taxed.
>
> However, if my father or father-in-law settles property on my children and leaves a life interest to me, so that my children succeed to the capital after my death, under this particular Bill the property that these children derives from my father or father-in-law is added to what they get under my will. There is no justification for this and it never could exist, even under the Commonwealth Estate Duty Act, but it exists under this Bill.

That provision is still included. A further difficulty that has been brought to my attention is that the position is made considerably worse

because of the definition of "deemed settlements" inserted in the Act in 1963. Here there is an aggregation of property on the death of a deceased who has never had at any time any beneficial interest in the property, either as an owner of the whole or as a person with a limited interest therein, and frequently the only connection that the deceased has had with the property is that the settlor has had confidence in him and has reposed in him, as a trustee or otherwise, the onerous and often thankless task of determining the ultimate distribution of the property or the respective interests of fourth beneficiaries therein.

In other words, the only interest that the deceased had in the property was, perhaps, a power of appointment or power of revocation and new appointment, which is referred to in the definition of deemed settlements. This seems unjust and quite incapable of justification on any rational ground. To burden the family adviser or anyone who undertakes the responsibility of caring for his less businesslike relatives whereby he can prejudice the beneficiaries under his own will is hardly going to encourage people to undertake any responsibility at all as an executor or trustee. The matter cries out for amendment, and I have placed an amendment on honourable members' files.

The next matter I should like to refer to is also a matter of some importance, and it was apparently viewed by the Government as being of some importance because the Minister referred to it in his second reading explanation. It is quite obvious it is regarded as part of the extra sugar surrounding the pill in this particular case. I commend the Government for at least tackling this particular problem, or acknowledging that there is a problem, because the Minister says, "There is a change of substance in the case of gifts with reservation (new paragraph *o*) which are at present subject to duty even if the reservation ceases or is surrendered many years before death. The new paragraph removes this anomaly by excluding such gifts from the dutiable estates if the reservation ceases and the donee assumes full possession and enjoyment continuously for one year before the death of the donor and there is no fresh or renewed reservation in this period." I point out that it is a fact that the making of a gift or a settlement whilst one is alive and retaining some interest or some reservation in that property, either directly or indirectly, has caused it to be dutiable.

The case that frequently comes to mind and which is met with perhaps more than any other case is that of a farmer who may give land to his son. He may give this land many years before he dies, but because he is running a few sheep belonging to himself on the land or, perhaps, has some poultry on it, or even because he still continues to reside in the dwellinghouse erected on the land, the son is compelled to pay duty on that gift that was made many years before his father died when his father does, in fact, die.

The Hon. C. R. Story: On present-day valuation?

The Hon. F. J. POTTER: No. It is treated as a gift, and he pays on the value at the time it was made. I point out that if this land were given only a few months or years before the death, the value could be very high. Some of the sting is taken out of this because it is charged separately on Form U, but many people have been caught as a result of this particular provision. In some cases it has worked very unfairly, because many have been caught and some people have got away. The Government is to be commended for tackling the problem, and it is obvious from what the Minister said that he is going to exempt all classes of gifts subject to a reservation unless they are made within 12 months of the date of death. I do not think the section, as drawn, does that, so I think that this also calls for an amendment.

Paragraph (*o*) (and this is property which has to come in, not now on Form U but as part of the aggregation) states:

> . . . any property which after the twenty-seventh day of November, One thousand nine hundred and nineteen, was disposed of by the deceased person by deed of gift, gift or otherwise than for full consideration in money or moneys worth, whenever such person died, unless the person taking under the disposition had bona fide assumed the beneficial interest and possession of the property not less than one year before the death of the deceased person . . .

That means if a man had assumed possession not less than 12 months before the death (in other words, more than 12 months before death —perhaps 10 or 20 years even) and from the time when he took the gift retained the beneficial interest to the entire exclusion of the deceased person. In fact, that particular provision has exactly the same effect, in spite of the different wording, as the existing provision in the Act. So much for the great suggestion of the Minister that he is cutting it out and making it apply only to gifts 12 months prior to the date of death.

I have drawn another amendment to make sure that this will, in fact, carry out the undertaking the Minister has given in his speech. My amendment definitely limits it to one year, and if that is not intended I should like to hear from the Minister exactly what is intended because, quite frankly, this is the one good thing that was offered in the Bill.

There are one or two other matters on which I have drawn amendments, which have been placed on honourable members' files. One concerns the matter of the inheritance of property from an illegitimate child. This in a minor matter but it is of some consequence, because section 56a of the Act provides that where an illegitimate child derives any property under the intestacy of the mother of the child or under a disposition made by the father or the mother of the child, the duty payable in respect of that property shall be at the same rate as if the child had been born legitimate. In other words, they do not have to be regarded as strangers in blood; they can pay the same rate of duty if they derive property from the parent as if they were a natural born child, but if the mother or the father happens to derive property under the will of the child, that mother or father is treated as a stranger in blood and has to pay at the full rate. It seems to me a ridiculous situation, so I have drawn another amendment in order to make that matter clear.

I have dealt briefly with the items that I consider are important. If these two items that I have referred to are not amended, when we apply the principle of aggregation there will be very considerable duties payable. Therefore, it seems to me that, all in all, this will raise much more than the $1,000,000 mentioned by the Minister.

The Hon. R. C. DeGaris: Do you think that in these days of equality and equal pay a widower should have the same exemption as a widow?

The Hon. F. J. POTTER: Very frequently, of course, the widower is in no better position to maintain himself after the death of his wife or, at the other end of the scale, if he is a man of advanced years he perhaps cannot do any more work, and it seems strange to me that there is still this discrimination. However, that is a matter of minor importance, compared with the position we now have, namely, that very considerable increases in duty will be applied as far as estates over $40,000 are concerned. We have already had interesting and full examples from the Hon. Mr. DeGaris in this debate.

When we come to the two vital clauses, which are different from those presented to us last session, there are at least two or three important matters that we must look at. The first is that the policy of assurance allowed as far as the deceased's estate is concerned is a policy of only $2,500. In other words, this is the maximum allowance it is possible to be given after the full amount of the assurance has been aggregated with the rest of the property, and this seems to me to be completely inadequate.

As the Hon. Mr. DeGaris has said, if one gives $200 to one's wife each year over a period of years prior to one's death, these particular sums are free of duty, yet if the same amount of money is put into an assurance policy in the wife's name the whole value of the policy comes in under the aggregation principle. I support the honourable member's contention that a man ought to be allowed (as he is substantially allowed in Victoria) to put money into an assurance policy. It is important to note that money paid on such policies is available for investment, because insurance companies are among the biggest investors in Government bonds and securities and in real estate development in South Australia. Therefore, the Government will not really lose anything if it substantially increases the allowance for assurance policies.

The other important point concerns the living area for a primary producer. I say that the Government has not honoured its promise in its policy speech to provide free of duty a living area for a primary producer. Land held by a deceased person as a joint tenant, a tenant in common or a member of a partnership is not to receive the exemption allowable for primary production purposes, and this will have a tremendous impact on the primary-producing section.

I still wonder why we have to depart from the present system, which has been established in this State for well over 70 years, which people understand and on which they have ordered their affairs. There is no question that this Bill, with its new aggregation principles, will completely pull the rug away from under the feet of all the people in this State who have ordered their affairs in accordance with the existing legislation, and it seems to me that it would have been easy for the Government, if

it wanted to get extra revenue, to get it in one or two ways. First, it could have increased the rates of duty on the various successions and left the position exactly as it was. This would have resulted in extra revenue being obtained. It could have shaded the particular scale of duty so that it tempered the wind to the shorn lamb, if it regards people who inherit less than $12,000 as shorn lambs.

If there are objections to these alleged loopholes (I do not admit that there are any in the present system) it could have changed the system slightly and still have allowed, as a separately assessed property, a jointly-owned matrimonial home or even a matrimonial home not in joint names but in the name of one spouse or the other. It could also have separately assessed assurance policies on which the premiums had been paid wholly or in part by the deceased person. It could have said, "If you wish, this is the extent to which we will go in separately assessing properties: you can have one property (the matrimonial home), which will be separately assessed; you can have assurance policies, which will be separately assessed; but you cannot have 10 properties or 10 bank accounts in joint names. These must be aggregated."

I would have given very serious consideration to supporting a system that would do that kind of thing. Alternatively, I would have supported a system to increase duties and still maintain the same separate assessments, which is an integral part of the whole system of succession duties. I think aggregation of all property, and then rebating duty, which involves fiendishly difficult complications, is not satisfactory. However, if this Bill reaches the Committee stage—and I think we ought to take it to that stage to see how far it may be possible to effect amendments on these vital matters—I will perhaps consider my attitude subject to what we achieve in Committee. Accordingly, at this stage I shall not vote against the second reading, but I assure the Government that I shall not hesitate to vote against the third reading if we cannot in the Committee stage effect some of the vital amendments that I think are necessary. I hope the Government will consider not only the matters I have raised but also the matters raised by other honourable members.

I think that not only are these matters important but that very many other matters will have to be considered. I do not like the position where the administrator of an estate is compelled to pay duty on property compulsorily aggregated under this system and is left with the responsibility of recovering the amount of that duty.

The Hon. Sir Arthur Rymill: Can you conceive of circumstances where he may have to pay more than he actually has in hand?

The Hon. F. J. POTTER: Yes, I can.

The Hon. Sir Arthur Rymill: Say, an estate of $5,000 and a trust of $90,000?

The Hon. F. J. POTTER: That is the point I am making. If settlements are made during the lifetime of the deceased, by the time they are aggregated the money may have gone or most of it may have gone and the administrator may be presented with a bill that he cannot meet: he has not the assets in the estate to meet it. All he has is a right of action to endeavour to recover the money from a beneficiary who may have dissipated it. I do not like these provisions and I shall be interested to know, if we get to the Committee stage, exactly how the Minister proposes to deal with the situation, because it is most unsatisfactory, along with other aspects of the Bill to which I have already referred. At this stage I indicate that I shall not vote against the second reading but I shall press strongly, in the Committee stage, the matters I have mentioned. If there are not substantial alterations to the Bill at that stage, I intend to vote against the third reading.

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

ROWLAND FLAT WAR MEMORIAL HALL INCORPORATED BILL.

(Continued from October 13. Page 2274.)

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Association to hold land for purposes and objects of Association."

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

After "land" to insert "as a site for a War Memorial".

The reason for this amendment is that the Select Committee when discussing this matter first assumed that the title of the Bill was "Rowland Flat War Memorial Hall Incorporated", and the preamble throughout deals with the "Rowland Flat War Memorial Hall". However, if we kept to that wording, the wishes of the people concerned would be confined to a war memorial hall, and nothing else; but they might decide to do something else. They might not have enough money to build a hall and would want some other form of memorial. In the Select Committee there was complete unanimity that we should delete

the word "Hall" when we came back to the preamble. To keep this matter in proper sequence and in chronological order, it is necessary to add these words to the clause.

Amendment carried; clause as amended passed.

Clause 5 passed.

Preamble.

The Hon. A. J. SHARD moved:

After "Memorial" first occurring to strike out "Hall"; after "the" fourth last occurring to strike out "Register-General" and insert "Registrar-General"; after "it" last occurring to insert "as a site for a War Memorial"; after "of" last occurring to strike out "a War Memorial Hall" and insert "the said Association".

The Hon. C. D. ROWE: I rise on this matter only because when it was being considered in detail I was absent overseas on Commonwealth Parliamentary Association business. The approach to have this trust altered was first made to me by the people concerned. Then we discussed the question of its being done by a private member's Bill but it was ascertained that to do it in that way would involve some delay and expense, so it was thought that, if the Government was prepared to introduce the Bill, it would be an easier and less costly way. I introduced a deputation to the Attorney-General, who agreed to take up the matter. As a result of his intervention we have this Bill before us today. I entirely agree with its objects and sincerely hope that the promoters will have every success with the erection of a war memorial on this site; I hope it will serve the community for many years to come.

The Hon. C. R. STORY: I shall be pleased to see this Bill go through because I have had contact with the people involved. It concerns a portion of my district where the people are keen on community efforts. The Bill will be of some benefit to the district and it has my support.

Amendment carried; preamble as amended passed.

Title passed.

Bill reported with amendments. Committee's report adopted.

MONEY-LENDERS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 2647.)

The Hon. C. D. ROWE (Midland): I should like to make a few remarks on this Bill. Normally I do not have much to do with money-lenders, nor do I have much to do with them in the capacity of a borrower. However, from the way rates, taxes and charges are increasing I am beginning to think that I may be in their clutches at any time. Because of that, I thought I should take an interest in this Bill.

It has two objects, the first being that it makes an amendment to section 5 of the Act to ensure that money-lenders will pay the appropriate fees in connection with the use of documents. Ever since time began a perpetual struggle has taken place between a Government on one hand endeavouring to collect various moneys due and people on the other hand attempting to devise ways and means of avoiding such payments. Apparently a scheme has been devised by the latter section as a result of which the Government has not been collecting the correct amount of stamp duty to which it considered itself entitled under the legislation. The object of the first amendment is to close a loophole and I cannot object to that. I believe the original intention of the Act was clear but it was not expressed in a satisfactory manner.

The other amendment deals with a rebate of money a money-lender must pay when a loan is repaid before the due date. Under the Money-Lenders Act the rebate must be made directly proportionate to the period that the contract still had to run. A few years ago discussion ensued with hire-purchase companies and others relating to the Hire-Purchase Agreements Act, and a formula was evolved under that Act to decide the amount to be repaid in the event of a contract being prematurely determined. At present two different methods of working out this figure of rebate operate: one under the Money-Lenders Act and the other under the Hire-Purchase Agreements Act. It is considered that the two methods should be brought into line for the sake of uniformity, and I believe that to be desirable. I support the amendment.

The Hon. Mr. Potter yesterday raised the important question of who is and who is not a money-lender under the terms of the Act, and whether such a person should be licensed who is not licensed and so finds himself in a position where he would be unable to recover moneys loaned. I agree with the amendment proposed by the Hon. Mr. Potter. It seeks to insert in clause 3 an additional subclause, which reads:

Any person or a company *bona fide* carrying on any business not having for any of its principal objects the lending of money, in the

course of which and for the purposes whereof he or it lends money at a rate of interest not exceeding twelve pounds per centum per annum.

The purpose of this is to ensure that a person who lends money on mortgage, and who does not charge more than 12 per cent interest shall not be regarded as a money-lender and a person to be licensed. That will have the effect of ensuring that people who lend money on mortgage, but who are not involved in other kinds of money-lending transactions, need not register.

The only criticism I make (and it was one I raised by way of interjection when the Hon. Mr. Potter was speaking) is that instead of using the word "solely" consideration should be given to using the word "principally". It is possible that a man may lend a considerable sum of money on mortgage, but in an isolated instance he may lend money on another type of security. I hope the Hon. Mr. Potter will indicate at a later stage that he will agree to the amendment I have suggested.

When I was Attorney-General considerable discussion ensued at conferences of Attorneys-General on the control of interest rates and the lending of money, because in a modern economy we have reached the stage where much of the strength of that economy is dependent on money-lending and hire-purchase transactions. If anything is done to cut down the volumes of those transactions, we shall have extensive repercussions. Indeed, it is not too much to say that some of the worst financial crashes that have occurred in this country, which have caused considerable hardship, have occurred because indiscriminate credit had been given to too many people. Eventually people found that large debts with a face value of many millions of dollars were, in fact, worth perhaps 20 or 30 per cent of the face value. That has brought down many large organizations.

I think this is an important Bill. It is important to see that the man who lends money is properly protected and at the same time properly controlled. I believe it is necessary also to see that the person borrowing money is protected and controlled. I think one of the greatest problems today is that credit has been given to people who have over-involved themselves with hire-purchase and other extended credit. I do not know the answer, but I think the matter needs attention to ensure that such people do not over-commit themselves. Consequently, strong control of credit must be maintained by those people who issue the credit. There are organizations and avenues by which a report on a person's credit and about what he is able to manage can be obtained. It is in the interests of the people concerned to make sure that those who borrow money have the credit-worthiness to repay the amounts advanced. If that is done the economy will be stronger. I commend the Bill and hope it has a speedy passage.

The Hon. R. C. DeGARIS (Southern): I rise to comment briefly on the Bill. As has been pointed out by previous speakers, it has two purposes. First, it blocks certain loopholes (and I use that word with a certain amount of discretion, because we have all sorts of loopholes) that money-lenders have used in order to evade stamp duty, and the action being taken on this aspect has the concurrence of members of the Council. However, I consider that the views expressed by the Hon. Mr. Hill and the Hon. Mr. Potter, and referred to by the Hon. Mr. Rowe, deserve attention.

The Hon. A. J. Shard: And Sir Arthur Rymill.

The Hon. R. C. DeGARIS: I do not know whether he made this point.

The Hon. A. J. Shard: He got the credit for it.

The Hon. R. C. DeGARIS: The Chief Secretary knows what I am going to refer to. This matter concerns the principal Act, not the Bill. It appears that the definition of money-lender in the principal Act could cause difficulty. The Hon. Mr. Potter has on file an amendment to alter that definition and he has used the word "solely". The Hon. Mr. Rowe has suggested that that word be replaced by the word "principally". The interest rate of $12 per centum per annum is also mentioned in the amendment, and I have some objection to that rate. In addition, there may be difficulty in defining what a money-lender is if the word "principally" is used.

The better way to approach the problem may be to reduce the amount of interest mentioned in the Hon. Mr. Potter's amendment. I do not know whether that is a valid contribution, but I shall await the Chief Secretary's reply in regard to the amendment. The amendment will assist in preventing further difficulty about the definition. I understand that in Victoria and in other States the approach to the money-lender is completely different, in that it is a positive approach, and that there is a full definition of the word in the Act.

The second part of the Bill amends the principal Act. Clause 5 provides for an abatement of interest when a borrower from a money-lender terminates his contract by default or payment before the due date. This new clause inserts the same sort of provision regarding abatement as is contained in section 78 of the Hire-Purchase Agreements Act.

The Hon. A. J. Shard: I understand that that is so.

The Hon. R. C. DeGARIS: We still have the difficulty of prepaid contracts, about which I am certain the Chief Secretary will give us information, as he has promised to do.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Interpretation."

The Hon. F. J. POTTER: I move:

After "amended" to insert "(*a*)"; and at the end of the clause to insert the following new paragraph:

(*b*) By inserting after the colon sign at the end of paragraph (*f*) in the definition of "money-lender" the word "or" and adding thereafter the following new paragraph:

(*g*) any person or company lending money solely on mortgage of land where the rate of interest in respect of such loan does not exceed twelve dollars per centum per annum.

This amendment deals with the matter that I raised in my speech on the second reading. It is a matter to which much attention is being given in South Australia at present. A spate of difficulties has been created by the definition of money-lender, and I have referred to the particular case of a retired person who invests his money on first mortgage through a land agent or other form of agent and have pointed out that he takes a very serious risk of being classified as a money-lender although not having a licence as such. As I have said, the very format of the Bill poses certain difficulties regarding the exemption clause, because we really ought to examine the transaction (which is the situation in Victoria) of lending money on mortgage at a rate of interest not exceeding 12 per cent or 10 per cent. I do not think the rate is very important.

We do not want people to suffer the loss of all their capital but because we cannot, in this particular Act, exempt the transaction (for the Act is drawn in the form of exempting a person), I am forced to add a further exemption for the classes of person mentioned. The rate of interest was mentioned in the debate. I am not concerned about that matter, because in this class of contract 12 per cent per annum would be an unusually high rate and I should be happy to adopt the rate operating in Victoria, which is 10 per cent.

At the same time, it seems inconsistent not to adhere to the rate of 12 per cent, because, if a person is lending money and not carrying on a business that has as its principal object the lending of money, that person is allowed to charge up to 12 per cent without being classed as a money-lender. It seems to me to be a little inconsistent to talk about reducing the particular rate of interest applicable to this further exemption.

The other point was made by the Hon. Mr. Rowe, who queried whether using the word "solely" was not going a little too far. He said that perhaps we should substitute therefor the word "principally". I thought at the time there was something in this, and I am still a bit doubtful about it. The only difficulty I see is that whereas in my draft it is pretty clear what is meant and it could easily be policed or interpreted, if one substitutes the word "principally" I think one might get into difficulties regarding what was meant by this word and how far and to what extent a person's moneys were lent; in other words, how much money does a person have to lend on mortgage in order for it to be claimed that he was principally so lending money?

I want to exempt persons or companies that are lending on the security of land, which is the important thing. Consequently, I should not like at this stage to alter my draft. However, I would be prepared to consider the matter further if the Hon. Mr. Rowe wanted to move an amendment to my amendment. I think it would be safer for me to move my amendment in the form in which it appears on members' files, and I would be anxious to hear what the Minister has to say before taking the matter further.

The Hon. A. J. SHARD (Chief Secretary): The Government has considered this matter, and it cannot accept the amendment. The Hon. Sir Arthur Rymill and the Hon. Mr. Hill have expressed concern regarding the position of persons who may occasionally lend money on mortgage and who, because of failure to take out a money-lender's licence, may find themselves unable to take court proceedings for recovery and may render themselves liable to penalties. They suggest that the definition of a money-lender be clarified so as to ensure that this type of lender is excluded from the Act. The cases cited by Sir Arthur and Mr. Hill would not come within the present definition

of a money-lender, as their business is not the business of money-lending: they are merely investing money which they own as an occasional transaction, not as a business. They do not come within the definition until lending money becomes their business. This is so, quite apart from the specified exemptions shown in the Act.

The Hon. Mr. Potter's proposed amendment goes further than this. It proposes to exempt from the definition of a money-lender any person or company lending money solely on mortgage of land where the rate of interest does not exceed 12 per cent. This amendment will not affect the State's revenues nor the obligation of such a lender to pay duty on a money-lender's contract, for such loans as are secured by mortgage on land are not required to pay duty as money-lenders' contracts.

If this amendment is accepted, the borrower from such lenders will lose such protection as may be given by the Act, including the requirement that he be issued with a contract, or a note or memorandum, which sets out in full the detail of his financial obligations. There seems to be no real justification for depriving a borrower, who borrows on the security of a mortgage over land, of the protection given to other borrowers, unless the view is taken that the additional clerical work and obligations imposed on the lender outweigh the additional protection so given to the borrower. I ask the Committee to reject the amendment.

The Hon. C. M. HILL: As I heard the Minister's speech, he held that the type of person we are considering at present (this is the person who lends not a great deal of money but some money, not necessarily only on one mortgage but perhaps on two or three mortgages) has nothing to fear. I suppose in the end this comes back to a question of opinion. To test this opinion, of course, people run very grave risks, because if it is found that they should have been licensed the risk is that they can lose all the money invested. It is grossly unfair to place people in that position. All the suggested amendment does is make it perfectly clear that these people do not come within the provisions of the Money-Lenders Act.

The last point raised was that a money-lender must under this Act provide a contract, with all the detail of the borrowing, the interest, the fees involved, the cost to raise the loan and the repayment amounts, so that an agreement as well as the mortgage must be prepared. This is actually attached to the mortgage and it must be sent to the borrower. The borrower has this as his protection, or at least he has some definite information as to his commitments and his requirements, whereas under an ordinary mortgage the lender does not have to give that information.

However, I point out that in most cases a copy of the mortgage is given to the borrower by the private lenders or their agents for the borrower's information. The loans made by money-lenders in which such information has to be supplied are loans which involve a much higher rate of interest, generally speaking, because they are flat rate interest loans, and generally the details of the payments are more complicated than is the case with an ordinary interest payment on fixed mortgage.

If there is a need for private lenders to have to give this kind of information by law to borrowers, then that is a different matter and it can be made necessary for them to do this. However, I do not think that aspect is an argument against this amendment, which I think is an amendment that many people in South Australia, both private people and business people (professional people such as solicitors and many others), are welcoming. They have wanted something like this for a long time.

I favour the use of "solely" rather than "principally", because if a private vendor tends to diversify his form of lending, perhaps to lend a little money on the security of a motor car, he is a money-lender and has to come under the Act. If "solely" is used, the meaning is clear, and the people who have saved or inherited money are completely cut out of the Act. I do not think the Minister's arguments rebut the arguments in favour of the amendment.

The Hon. F. J. POTTER: I am not convinced by what the Minister says. I do not doubt that he has obtained advice, but people lending money on mortgage occasionally could be regarded as carrying on the business of money-lending. The Minister's statement is contrary to the lengthy passages I cited yesterday to the effect that people doing this kind of thing were likely to be classed as money-lenders. It is a matter of what is regarded as carrying on a business.

In these cases, a fund is being administered by a person or his agent and, if the money is continually being re-invested solely on first mortgage, there must be a risk that the person will b held to be carrying on the business of money-lending, as the clause provides that, if

a person is carrying on the business of lending money at interest in excess of 12 per cent, he is a money-lender.

The Hon. R. C. DeGaris: It may be the only capital of a retired person.

The Hon. F. J. POTTER: Yes, and it may very well be not just an occasional loan but his sole source of income. It would be disastrous if that person could be held to be a money-lender and, through not having a licence, run the risk of losing all the capital involved in any transaction. Once one person was challenged on one transaction he would soon be challenged on many more, and so would many others. This matter has been causing concern to the business community in Adelaide.

The Hon. A. J. Shard: For how many years has this been going on?

The Hon. F. J. POTTER: It has become much worse because, whereas at one stage not much money was being invested on first mortgage, much money is now required for bridging finance. Since the collapse of certain companies there has been an increased activity in investing on first mortgage security. The Minister has said that if we include this provision in the definition people will lose their protection in that they will not have to get full details of the transaction, which have to be supplied by a money-lender. That may be so, but it is a minor consideration, because it will apply only to private firms or inviduals lending money.

Finance companies are not covered by this protection, because they have licences as money-lenders and their businesses are not solely to lend on mortgage. They have to provide the full details required by the Act, although these details do not indicate any more than is contained in the mortgage. The advantages that the Minister claims that the borrower gets through having to get a detailed statement do not amount to much. The matters he has raised are minor and unimportant. I am not questioning that he has obtained a genuine opinion (and perhaps it is correct and the opinions of the learned judges and authors I have quoted are wrong), but it is still possible that many people will lose their money. These people are doing a public service by making bridging finance available. I ask the Committee to accept the amendment.

The CHAIRMAN: We cannot take the amendment as a whole. I shall put the first part, namely, to insert "(a)".

The Committee divided on the amendment:

Ayes (13).—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, L. R. Hart, C. M. Hill, Sir Norman Jude, H. K. Kemp, Sir Lyell McEwin, F. J. Potter (teller), C. D. Rowe, and C. R. Story.

Noes (4).—The Hons. D. H. L. Banfield, S. C. Bevan, A. F. Kneebone, and A. J. Shard (teller).

Majority of 9 for the Ayes.

Amendment thus carried.

The CHAIRMAN: I now put the second part of the amendment.

Amendment carried; clause as amended passed.

Clause 4 passed.

Clause 5—"Provision for payment of interest on determination of contract on default or otherwise."

The Hon. A. J. SHARD: I move:

In new paragraph (i) after "by" first occurring to strike out "multiplying" and insert "deducting the amount of stamp duty lawfully paid upon the contract from".

Briefly, these amendments give effect to the undertaking that I gave yesterday on another Bill, that I would introduce amendments to this Bill to allow a deduction of a proportion of stamp duty from the amount of interest that a lender is required to rebate to a borrower. As the Act now stands, the statutory rebate is defined by reference to the amount of interest. Under the amendments the amount of stamp duty will be taken into account before application of the formula for the statutory rebate and will afford relief to money-lenders. As I stated yesterday, the South Australian Divisional Chairman of the Australian Finance Conference has agreed that the amendments will adequately meet the position arising out of the early completion of contracts.

The Hon. C. M. HILL: I support this amendment and the others to follow. I agree with the Minister that the amendments bring the whole problem into a fair and proper form, in that by changing the formula they permit hire-purchase companies to recoup some of the stamp duty which, by law, they are forced to pay. In certain circumstances, as a result of early repayment by borrowers, they stood, with that type of transaction, to lose money. One of the great benefits in the long run will be probably that hire-purchase company rates will not be increased as I personally have no doubt they would have been if the Government had not agreed to the change.

Amendment carried.

The Hon. A. J. SHARD moved:

In new paragraph (i) after "contract" to insert "and multiplying the difference so determined"; in new paragraph (ii) after "contract" last occurring to insert "less that proportion of the amount of stamp duty lawfully paid on the contract which the total amount of interest so attributable bears to the total interest chargeable under the contract".

Amendment carried; clause as amended passed.

Title passed.

Bill reported with amendments. Committee's report adopted.

NATIONAL PARKS BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 2648.)

The Hon. M. B. DAWKINS (Midland): I support the Bill, in the main at all events, although I believe that one or two improvements are needed. I have no quarrel with the Minister's assertion in his second reading explanation that the legislation needs re-arranging or redrafting. I believe that the time has come when this is necessary and, for that reason, I support most of the clauses. I note that the area of fauna and flora reserves and national parks has reached the large total of 550,000 acres, and that 120,000 acres of this total has been set aside in recent years.

Although I am fully in favour (and I do not want any misunderstanding about that) of having adequate national parks and adequate reserves for fauna and flora, in my opinion this is a large area and is probably large enough, having regard to the remaining land reserves, or perhaps I should say having regard to the very large percentage of land in this State that is of no use, or of limited use. I sound a warning in regard to the amount of land we can afford to set aside in this way in future.

Clause 7 refers, amongst other things, to the establishment of the new commission. It provides for a commission of 15 members who shall be appointed by the Governor upon the recommendation of the Minister and of whom one shall be appointed as Chairman and another shall be appointed as Deputy Chairman. I have no quarrel with that. I think it is probably a good move and that the expanded commission of 15 members will be adequate and proper for present-day needs.

I also noted that the Minister, in his explanation, said that the Government was deeply appreciative of the work of the present commission, which had been consulted in the drafting of the Bill. The Government hopes that most, if not all, of the present members will continue to serve on the expanded National Parks Commission. I think Opposition members are also deeply appreciative of the work that has been done by the present commissioners.

My honourable friend, Mr. DeGaris, referred in particular to Sir John Cleland, whom he has known for some years. Although I have not known Sir John for as long a period as the Hon. Mr. DeGaris has known him, I endorse everything that has been said about him. I have had the privilege of discussing fauna and flora, in particular, with Sir John, and he is a remarkable gentleman. We all know that he has reached the peak of his profession and that many people who reach the peak of their professions become somewhat isolated from everyday affairs. This has not been so in Sir John Cleland's case. He has not only attained the highest qualifications professionally, but he has also retained the common touch and has been able to help and receive help from ordinary mortals such as myself, and, perhaps I could add, my honourable friend Mr. DeGaris. Sir John is the outstanding example of these commissioners, and we are indebted to them for the work they have done. Clause 7 (3) provides:

> In making any recommendation for the purposes of this section, the Minister shall, in addition to any other considerations which appear to him to be relevant have regard to any special knowledge which that person has of the activities of any body the objects of which are the same as or similar to the objects of this Act.

I believe that gives the Minister every right and, in fact, the duty to have full regard to what we might call conservationists or members of societies interested in the conservation of fauna and flora. I think the Bill might be a little more specific in the definition of those people who may be specially considered by the Minister. I have had representations from members of three primary-producing organizations, and the following is an extract from one of the letters:

> My association feels that it would be of great practical benefit to have specific provision in this part of the Act for a nominee from this and the other main producer organizations in the State to be included on the commission. This would undoubtedly assist the commission in exercising its powers and responsibilities by making available to it the wealth of practical experience which landowners engaged in the husbandry of sheep and cattle and the care and management of land, pasture and water resources, could bring to the commission's deliberations.

I endorse those comments. The members of such societies have a close interest in the conservation of the natural fauna and flora of the State. That they have this interest is not surprising, as not only do their activities demand a keen appreciation of the natural processes underlying the conservation of plants and animal species, but their experience in their occupations demands that they be in close touch with these matters.

I suggest that the new commission should have on it three primary producers from the three leading primary-producing organizations. While I understand that some objection has been taken to a suggestion of this nature because 25 or 30 organizations could be used from which to choose the 15 members, I believe the Bill, rather than providing for representatives of perhaps 25 or 30 organizations to be members, could be strengthened if there were a little more specific indication about the way in which the members of the commission were selected. I suggest that the Minister seriously consider the appointment of three experienced primary producers to this commission, with one person of this particular qualification allocated to each group of five which, according to the Bill, will retire annually.

I note that following the constitution of the commission there are a number of machinery clauses for the filling of casual vacancies, for determining the duties of the Chairman and Deputy Chairman, for the abolition of the present commission of the National Park and Wild Life Reserves, and for a number of other matters dealing with the powers of the commission, and I would say that these clauses are quite unexceptional, so I have no particular objection to them.

The only other really important comment I wish to make regarding the Bill concerns the Fourth Schedule, which seeks to insert another provision into the Lands for Public Purposes Acquisition Act. Section 4 of that Act begins as follows:

> The Governor may by proclamation declare any of the following purposes to be a public purpose, namely—
>
> 1. the providing of offices and other buildings and premises for carrying on the Government of the said State or any department or departments of the Government of the said State;

It goes on to specify other purposes which the Governor may declare to be a public purpose. This Fourth Schedule seeks to amend section 4 by inserting therein paragraph 1a —"the establishment of national parks". I feel somewhat wary of this clause. I said earlier that I thought an area of 550,000 acres was approaching the upper limit of land which we should be able to reserve for this purpose, having regard to the fact that we have very little more land to develop. The neighbouring State of Western Australia is developing still at the rate of 1,000,000 acres a year, but we would probably be scratching around a great deal to find 1,000,000 acres in total, even of second, third and fourth class land that would still be possible to develop. I, therefore, feel that we have to be careful about the amount of land we reserve for this type of purpose.

I express some doubt regarding this last clause, and I feel there should be some clarification. The commission is to be given wide powers, and I believe that according to this Bill it would be possible for it to acquire compulsorily land which it did not have to refer to the Government, the Minister, or to Parliament. I consider that the present power is too wide, and I suggest that this schedule should be amended to provide that it be subject to the unanimous decision of the commission and also to the approval of the Minister. Earlier in the Bill it is stated that the quorum of the commission of 15 is to be six. I can foresee that a quorum of six people, all with one particular mind on the matter, could be responsible for land being acquired unwisely. I believe that a qualification should be inserted to the effect that land may be acquired compulsorily pursuant to the Fourth Schedule only on the unanimous decision of the whole of the commission, together with the Minister's approval. With those qualifications, I support the Bill.

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

ADJOURNMENT.

At 5.46 p.m. the Council adjourned until Thursday, November 3, at 2.15 p.m.