

## LEGISLATIVE COUNCIL

Tuesday, July 25, 1967

The PRESIDENT (Hon. Sir Lyell McEwin) took the Chair at 2.15 p.m. and read prayers.

### QUESTIONS

#### GAS

The Hon. R. C. DeGARIS: Has the Chief Secretary replies to my questions on natural gas asked on July 12 last?

The Hon. A. J. SHARD: The answers to the honourable member's series of questions, which were numbered, are as follows:

At the time the honourable member asked his question:

(1) No. The latest offer then was still above the "breakeven" point with oil, taking into account relative heat values and all other costs and economies in provision for burning gas. The conditions of an offer made to the Premier on Saturday last are still under discussion.

(2) See (1).

(3) No. The royalty will be at the rate of 10 per cent upon the value of the gas at the well head so there will be considerable deductions from the price paid by consumers for clean gas supplied out of the pipeline before the 10 per cent is calculated.

(4) The terms of the trust's agreement for the purchases of oil are confidential as between the trust and the suppliers. In a competitive situation neither party would wish the details to be published.

(5) Fuel costs represent at present about 20 per cent of costs of generation by the trust.

(6) Possibly—but it is pointed out that the contract which the trust presently enjoys has a number of years to run. The price payable by the trust will not be affected by present fluctuations in crude oil prices or freights and, in fact, the unit prices to the trust will continue to fall as it uses increased quantities.

(7) No. The equipment must, of necessity, burn oil as well as gas so as to get the greatest economies to both producer and consumer through the use of gas and as a protection against interruption of gas supplies. Accordingly, there is additional capital expenditure required to burn gas.

#### WIND DAMAGE

The Hon. L. R. HART: Has the Chief Secretary a reply to my question of July 18 about the assistance the Government is prepared to give to producers whose properties have suffered wind damage?

The Hon. A. J. SHARD: I am advised that my reply to the honourable member was correct in so far as it covered the main points. The only additional information I can give is that any applicant seeking assistance should apply directly to the Drought Relief Committee, c/o Agriculture Department, Gawler Place, Adelaide.

#### ALICE SPRINGS ROAD

The Hon. A. M. WHYTE: Has the Minister of Roads a reply to my question of July 20 concerning ramps on the Port Augusta to Alice Springs Road?

The Hon. S. C. BEVAN: Yes. Any re-routeing of the Port Augusta to Alice Springs Road which was carried out three or four years ago would have been done when the road was under the control of the Engineering and Water Supply Department. Control has now passed to the Highways Department. No record can be found of any agreement with station owners regarding the erection of ramps, and so far as the Highways Department is concerned, there are no instances of unsatisfied agreements. It is suggested that any station owners who consider they have a claim for the erection of ramps should communicate directly with the Commissioner of Highways.

#### TOTALIZATOR FRACTIONS

The Hon. D. H. L. BANFIELD: Prior to the advent of the Totalizator Agency Board system of off-course betting, the racing clubs distributed the totalizator dividend fractions to charitable organizations, which were considerably assisted in this way. However, since T.A.B. has been operating, these fractions have been paid into the Hospitals Fund, in accordance with the Act, and the charitable organizations have consequently suffered a serious loss. Can the Chief Secretary say whether the Government has considered amending the Act to allow racing clubs to distribute fractions to charitable organizations, as they did previously?

The Hon. A. J. SHARD: Yes. The changed practice that the honourable member describes occurred when the Lotteries Commission and T.A.B. were set up. This resulted in totalizator fractions being paid into the Hospitals Fund, which is administered by the Government. However, when it became known that this procedure was to be followed, a number of charitable organizations contacted me, and I immediately assured them that they would not lose their fractions

and that they would receive them from the Hospitals Fund. However, the problem grew as time went on; if it had been confined to the metropolitan area, the problem could have been coped with, but I point out that many country racing clubs assist their local charities. Consequently, it was felt that it was practically impossible to control this matter from a central point.

The racing clubs approached me and said they were somewhat disappointed because they would have to cease their previous practice, and they said that, if the Government was agreeable, they were prepared to distribute fractions as in the past. I am happy to say that Cabinet has agreed to their request, and a Bill to amend the Lottery and Gaming Act will be introduced in another place next week. One of its clauses will provide for the racing clubs to revert to the practice that they followed for a number of years and carry on the very good work of making donations from the fractions to charitable funds.

#### TEACHING HOSPITAL

The Hon. V. G. SPRINGETT: Can the Chief Secretary say what stage plans have reached for the establishment of a new hospital suitable for teaching purposes in the vicinity of Flinders University?

The Hon. A. J. SHARD: I should like to check up on this matter because it is involved and because a great deal has been happening recently in connection with hospitals, particularly teaching hospitals, which I am not fully conversant with. I shall find out the exact position and let the honourable member know. I do not want to say, "This might happen" or "That might happen," because I am not quite sure about the exact stage that has been reached. I shall be pleased to obtain the information and let the honourable member have it as soon as possible.

#### LOCAL GOVERNMENT COMMITTEE

The Hon. C. M. HILL: Can the Minister of Local Government say whether any alteration of the present franchise for voting in municipal council elections is contemplated by the Local Government Act Revision Committee? Also, could an interim report on this matter be prepared by the committee so that all councils might discuss the matter fully before a final recommendation was made to the Government?

The Hon. S. C. BEVAN: This question is being examined by the committee, especially in the light of what happened after the recent municipal elections. I feel sure that, before a

final report is made on this matter, councils will be consulted. This will be a necessity before any final draft of the new Act is made and I am sure it will be done.

#### PORT PIRIE RAILWAY STATION

The Hon. R. A. GEDDES: I ask leave to make a statement prior to asking a question of the Minister of Transport.

Leave granted.

The Hon. R. A. GEDDES: The platform of the new railway station at Port Pirie is at least 12in. lower than the floor level of the railways passenger carriages, and the step down or the step up is of great inconvenience to both young and old people. Can the Minister explain why the height of this new platform does not conform to the floor level height of the carriages of the South Australian Railways?

The Hon. A. F. KNEEBONE: I shall obtain a report on the matter as soon as possible.

#### WATER ACCOUNTS

The Hon. C. D. ROWE: Has the Minister of Labour and Industry a reply to the question I asked on July 18 regarding the payment of water rates accounts?

The Hon. A. F. KNEEBONE: The Minister of Works reports as follows:

All people who are receiving notices have been told that any ratepayer wishing to do so may pay rates in advance, but it is important to remember that this should be done before any quarterly account becomes overdue. The annual amount payable will be four times the amount of the current charge for rates shown on the first quarterly account. Where the account shows a previous balance outstanding, this must be added to the payment. As the department's arrangement with the Savings Bank of South Australia only provides for payment of the amount shown on each account, all payments in advance must be made direct to the Engineering and Water Supply Department.

#### NURIOOTPA HORTICULTURIST

The Hon. M. B. DAWKINS: Has the Minister of Local Government, representing the Minister of Agriculture, a reply to the question I asked on July 20 regarding the provision of a horticulturist in a temporary capacity at Nuriootpa?

The Hon. S. C. BEVAN: The Minister of Agriculture reports as follows:

I gave a detailed reply to a similar question by the Hon. B. H. Teusner in the House of Assembly on Tuesday, July 18. It would be repetitious to repeat that reply here and I suggest therefore that you inform the honourable member that the detailed reply is contained in *Hansard* of that date.

The Hon. M. B. DAWKINS: In view of the answer, I seek leave to make a short statement and ask a further question of the Minister.

Leave granted.

The Hon. M. B. DAWKINS: Because of the so-called reply of the Minister, I wish to state that I read *Hansard* and that I noted the question referred to by the Minister which was not the same question as the one I had asked. I asked a supplementary question, which related specifically to bud selection and which was specially requested by some of my constituents in that particular area. In view of the reply by the Minister of Agriculture, *via* the Minister of Local Government, can the latter Minister say whether it is a fact that the Minister of Agriculture refuses to grant me a proper and courteous reply to a normal question?

The Hon. S. C. BEVAN: The answer to that question is, "No, the Minister does not refuse to give a considered reply." The answer that was forwarded to me was that all the information sought by the honourable member was contained in *Hansard* of a particular date, and he was referred to it. If the honourable member wishes further information he can ask a question, and I will again take it up with the Minister of Agriculture. I assure the honourable member that there has been no attempt by the Minister of Agriculture not to answer the question.

The Hon. M. B. DAWKINS: In view of the Minister's further comment, I ask him to take up this matter again with his colleague.

The Hon. S. C. BEVAN: I shall do that.

#### IRRIGATION

The Hon. C. R. STORY: I have read the report in connection with irrigation diversion from the Murray River, that was tabled on July 13. The report has caused a great deal of interest in the areas most concerned with it. Can the Minister representing the Minister of Works say when the department will inform the people who will be granted licences in the various categories contained in the report; and will it be necessary for those people to make further application, or will they be notified by the department direct?

The Hon. A. F. KNEEBONE: I will convey the honourable member's question to my colleague and bring back a reply as soon as it is available.

#### LAND SETTLEMENT ACT AMENDMENT BILL

Read a third time and passed.

#### PRICES ACT AMENDMENT BILL

In Committee.

(Continued from July 20. Page 733.)

Clause 3—"Duration of Act."

The Hon. A. J. SHARD (Chief Secretary): I thank the Committee for granting leave to report progress last Thursday to allow me to examine the matter we were discussing. I think this is the first time since I have been a member of this Council that a debate of this nature has arisen. I carried out some research over the weekend, and I am now quite happy that your ruling, Mr. Chairman, was correct. However, I should not like to see the procedure adopted very often.

As the Leader of the Government in this Chamber, I did not want to see the adoption of a procedure that perhaps was not correct. I am now satisfied beyond doubt that your ruling, Mr. Chairman, was quite correct and that we have not created any new procedure. My only concern was to see that the correct procedure was followed, and I think this would also be the concern of all honourable members. Although I do not like the procedure, I think it is the correct one. I hope that following this ruling honourable members will not assume that they can debate any topic when speaking on particular clauses of Bills.

The CHAIRMAN: I think the Chief Secretary is on the borderline now.

The Hon. A. J. SHARD: I will finish on that note, Mr. Chairman.

The CHAIRMAN: The Minister has had a pretty fair hearing.

The Hon. A. J. SHARD: I appreciate that, Mr. Chairman. In reply to the Hon. Mr. Hart, I advise that the Prices Commissioner is not authorized to direct that an article be sold by person A to person B; all he may do is inquire whether the price for an article sold by person A to person B is an overcharge or not. The Woods and Forests Department produces components for tomato cases at a competitive price and, in addition, a limited quantity of reject case material is available to such growers. I understand that, because insufficient reject materials are available, the person about whom the honourable member referred wants to buy first quality parts at reject prices. It is not a matter of the Prices Commissioner controlling the sales.

Secondly, either the Hon. Mr. Hart or the Hon. Mr. Story asked whether the Woods and Forests Department fixed its own timber prices, and the reply to that is "Yes". This was done before the department joined the Radiata Pine Association, which is a promotional association that has nothing to do with price fixation. I hope my comments satisfy honourable members and that the Bill will be passed without further comment.

The Hon. L. R. HART: I thank the Chief Secretary for that reply, but it is correct only in part. In recent times a considerable quantity of  $\frac{3}{16}$ in. reject boards has been available to case makers, as well as a limited supply of  $\frac{1}{2}$ in. boards. By using both  $\frac{3}{16}$ in. and  $\frac{1}{2}$ in. boards, the case maker has been able to produce a satisfactory article, but the department has decided that the  $\frac{1}{2}$ in. boards shall be no longer available. I am not suggesting (as the Chief Secretary has suggested) that the  $\frac{1}{2}$ in. boards should be of first grade material; they have been of reject material at all times, and only that type of material is required by case manufacturers at present. However, those manufacturers cannot use the  $\frac{3}{16}$ in. boards without a limited quantity of  $\frac{1}{2}$ in. boards to reinforce the case. Therefore, the tomato case manufacturer is unable to use any of the  $\frac{3}{16}$ in. material (although a large quantity of material of that size is held by the department) unless he is able to obtain supplies of the  $\frac{1}{2}$ in. boards.

The department is prepared to supply a shook, which is a case in the flat made entirely of  $\frac{1}{2}$ in. material. Therefore, in future tomato case manufacturers will be denied  $\frac{3}{16}$ in. material and will have to purchase components made entirely of  $\frac{1}{2}$ in. material, resulting in a dearer product. The problem of which I am complaining is that in future cases will be made entirely of  $\frac{1}{2}$ in. material, which will make them dearer. The case manufacturers could still be supplied with  $\frac{3}{16}$ in. material and a limited amount of  $\frac{1}{2}$ in. material, which is available because the department is prepared to supply complete cases in  $\frac{1}{2}$ in. material. I believe this practice should be investigated as it will undoubtedly increase the cost of cases to the tomato growers.

The Hon. A. J. SHARD: I am not able to carry the debate on that point any further but I assure the honourable member that I will take up the matter with the Minister of Agriculture at the first opportunity.

Clause passed.

Title passed.

Bill reported without amendment. Committee's report adopted.

#### LOCAL GOVERNMENT ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from July 20. Page 739.)

The Hon. C. M. HILL (Central No. 2): It is obviously necessary from time to time to amend the Local Government Act, because change in this Act is necessary in many ways. I am pleased that the Local Government Act Revision Committee is on the job again and hope that before long some report will be forthcoming from that committee, because many people in this State interested in local government are anxiously awaiting its findings.

I suppose the suggestions leading to the amendments in this Bill have come from the Municipal Association, and it is pleasing to note the ready co-operation between the Minister and that association. I expect and have no reason to doubt that similar co-operation exists between the Minister and the municipal councils that are not members of the Municipal Association.

Clause 7 interests me more than the other six clauses of the Bill. It amends section 288 of the principal Act and widens the items upon which a council is entitled to spend ratepayers' money. This clause will allow a council to insure the wife of the mayor or any person exercising the functions of the wife of the mayor of a municipality against personal injury whilst the wife is carrying out duties in her official capacity.

However, although the Bill mentions "mayor", I have some doubts whether, in regard to the Adelaide City Council, the Lord Mayor (and, therefore, the Lady Mayoress) comes within the scope of this clause. I notice, too, with interest that the words "Lord Mayor" are not used in the Act itself. In the definitions I find that "mayor" means the mayor or acting mayor of a municipality. As I have said, the term "Lord Mayor" is not defined.

In the Victorian Act "Lord Mayor" is defined. It is used in section 65 of the Local Government Act of Victoria, subsection (2) of which provides:

The chairman so elected shall in the case of the City of Melbourne be entitled the Lord Mayor; in the case of a borough be entitled the mayor; and in the case of a shire the president.

I appreciate that the difference between Victoria and South Australia in regard to the principal cities, municipalities and boroughs is that the mayor or Lord Mayor is elected by the people in South Australia, whereas in Victoria these office-holders are elected by the actual council. It is the same here in regard to district councils, whose chairmen are elected by council members, but this does not apply in regard to municipalities or the city of Adelaide. These points, too, should perhaps be referred in due course to the Local Government Act Revision Committee.

I believe it is because of a Royal Warrant under which the Adelaide City Council acts that the person in question is called or entitled the Lord Mayor, but it appears to me that the city of Adelaide would not be entitled to insure the lady in question under this clause as it reads at present because, although the Act states only "mayor" and not "Lord Mayor", we know that the people in the City of Adelaide in fact elect the Lord Mayor. Elections are held for that office and candidates are called to fill it. Therefore, I seek some assurance from the Minister that either the city is entitled under this clause to spend money on insuring the Lady Mayoress or, if there is any doubt or if the clause is not wide enough to cover that person—

The Hon. Sir Norman Jude: Is the member seeking an assurance or is the honourable member seeking an assurance?

The Hon. C. M. HILL: We are getting so noble with a list of honourable people that I want to get right down to earth and seek a simple assurance either that the city is covered under this clause or, if it is not, that the Minister will consider amending it so that the obvious intention of the clause is achieved beyond question. I am sure that is the intention, but nevertheless councils, as the Minister knows, must act only within the scope of the Local Government Act. It is my duty to see that any amendments to it are such that the position is covered beyond doubt.

The Hon. Mr. Gilfillan stated that the marginal note in clause 3 should be altered because the clause affects not only the Salisbury District Council but other councils also. There has been much discussion about clauses 4 and 5, which deal with the situation where a small portion of a freehold property is outside the principal council area in which the owner of the property is involved: his property overlaps into another council area.

These clauses provide that the rate on this smaller portion of land in the adjacent municipality can be less than the declared minimum rate. Apparently, some cases have occurred where this matter has arisen, but specific cases were not mentioned by the Minister in his second reading explanation.

Everyone with whom I have discussed this matter has agreed that these clauses appear to be quite fiddling and quite small in their implication. I believe that the minimum rate that has been fixed under the Act has been fixed for a specific purpose, and that there are principles involved in its fixation.

The first principle is that the minimum rate provides a reasonable income for the council and, of course, income to councils today is not as great as it should be if they are to carry out the functions that they should carry out. Inquiries have been made in other States into other ways and means of increasing councils' income. If the minimum rate is reduced for any reason, the result is that the council will receive less revenue.

The second principle involved in the fixation of a minimum rate is that it encourages development within municipalities which rate on a capital basis as compared with the unimproved land value system. Development is beneficial to everyone. We hear much criticism if there is a lot of vacant land within municipalities, and the fixation of a minimum rate is one way of hastening development and improvements on such land. If we write the proposed provision into the Act, a minimum rate need not be charged either in part or in whole and consequently we would be setting a precedent that might be followed for other reasons.

We may be asked later to exclude certain kinds of ratable property from the minimum rate or to provide further machinery by which the minimum rate can be reduced. I should be pleased to hear further debate on this matter, but up to the present I have not heard of any examples where unfairness has arisen in this connection. Consequently, I do not see any need for clauses 4 and 5.

My main point is in connection with clause 7, and I seek an assurance from the Minister regarding the point I raised about it.

The Hon. Sir NORMAN JUDE (Southern): I do not intend to deal with this Bill at length because it does not appear to be very controversial. However, I draw the Minister's attention to the fact that it appears that the intention of clause 4 is to exempt

from the minimum rate a portion of a property that overlaps into an adjacent council area. I should like the Minister to check with the Parliamentary Draftsman to ensure that this provision does not apply to the position where a man may own two or three blocks in one council area and one or two blocks (which may not be adjacent to them) in another council area. Surely the meaning is that they should be adjacent.

I appreciate the Hon. Mr. Hill's point in connection with loss of rates by councils. This provision should apply only to portions of a property that are adjacent to each other and in adjacent council areas and which are owned by the one owner. If this was not so, I do not think the clause would be satisfactory to honourable members or to the Minister either. I should like the Minister to look at this point.

The title of "Lord Mayor" is conferred by Royal Warrant and not by an Act of the South Australian Parliament, as far as I know. If we have a Bill referring to the salaries of members, it does not contain the words "salaries of honourable members". When the Local Government Act refers to "chairmen" and "mayors", the position is fully covered; I do not think we need to differentiate between "the Rt. Hon. the Lord Mayor" and "the Lord Mayor"; of course, in Great Britain there is a distinct difference between these two terms. I would be quite satisfied with this provision, but I can understand that the Hon. Mr. Hill is concerned about this point because he is associated with the Adelaide City Council.

I believe that clause 7 is desirable. We have dealt with insurance in connection with the official duties of councillors, and "madam mayors" are also covered. Consequently, I think it is not unreasonable that mayoresses, and the Lady Mayoress in particular, in their many duties should also be covered. Clause 8 confers similar rights on a district council that considers it desirable to insure the wife of its chairman. The second part of the clause is more important, as it brings the amount that a council may spend without general sanction more or less up to date with modern values. I believe the amount has not been altered for some 30 years and, therefore, I raise no objection. I support the Bill, but I should like the Minister to look at the point I raised about adjacent areas.

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

## CATTLE COMPENSATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from July 20. Page 730.)

The Hon. H. K. KEMP (Southern): In speaking to this Bill, I am astounded that it has reached this stage without protest being made. It allows for money, which belongs to the cattle owners of the State, and which has been kept in trust account, to be diverted to a purpose that has always been carried by general revenue: the inspection for tuberculosis in cattle. The fund originated in 1939 when, at the instance of the Board of Health, an inspection for tuberculosis was instituted for the dairy herds around the Adelaide metropolitan area.

Heavy inroads into the fund have been made in slaughtering stock diagnosed as carrying tuberculosis or suspected of carrying tuberculosis. The losses involved therein were far too great for the individual dairyman, but the Government refused to pay compensation. The growers had to contribute to the fund so that every time stock was slaughtered the fund was drawn on, the assumption being, I suppose, that it was the growers' fault if the stock had tuberculosis. In the original Act the Government sustained the fund, if overdrawn, until it was replenished by the growers. The spirit of the Act was that the fund belonged to the growers and was not to be contributed to by the Government. This was recognized by the fact that the funds were deposited with the trust accounts of the State.

This fund is now to be used for the further inspection of cattle in pastoral areas that are not now involved in tuberculosis inspection. This represents a comparatively small population, compared with the large number of owners of dairy herds from whom, as the figures show, most of the contributions have been exacted. The fact that the contribution is required less today is no justification for taking away this fund from the growers, because less tuberculosis is being encountered as a result of the work that has been carried out.

The fund is also to compensate growers for loss from actinomyces, pleuro-pneumonia, and one other disease. There is an amount of \$275,000 in the fund but if this is considered by the Government to be an excessive reserve, I consider it to be the reverse of a sensible attitude. It would

be justifiable to extend compensation to the owners of cattle affected by other diseases, instead of taking this money into general revenue. It has been said that cattle owners are in favour of this measure, but I do not think that that is true. I am sure the majority of people who have contributed to the fund have not been consulted.

It is possible that the beef cattle owners, who have the prospect of some benefit in the future development of cattle markets, are in favour of this measure, but I do not think it has been put before the dairying section of the industry. No move should be permitted until the people who have contributed so much to the fund have been permitted to give their views. I consider that honourable members should think very carefully before allowing this Bill to pass, as we would be doing the people we represent a great disservice if funds were diverted for a purpose that should be met from general revenue. I oppose the Bill.

The Hon. M. B. DAWKINS (Midland): This Bill has been covered in some detail by my colleagues. I am not able to support the measure for reasons similar to those given by the Hon. Mr. Kemp. I was told earlier that the cattle owners were in favour of this legislation, but more recently I have been told that this is not the case. The fund, which totals about \$275,000, is not an excessive reserve to guard against the possible outbreak of disease in cattle. The Hon. Mr. Kemp also made a valid point when he said that a very large amount had been contributed by the dairying section of the industry. I agree with him that it would probably be better to consider extending compensation to the owners of cattle affected by other diseases, instead of using it for a purpose previously met by general revenue.

The Minister said that the primary purpose of the Bill was to authorize him to meet the costs of the programme and of veterinary surgeons out of the fund. I agree with previous speakers that this would be robbing the people who provided the fund, because the fund does belong to the people who have contributed to it over the years and I am not in favour of using it for other purposes, even though it may in some measure be related to the object, any more than I would be in favour of using the Swine Compensation Fund or any other fund which was specifically created for a purpose by the contributions of the people who are most directly interested and to whom the fund really belongs.

While I am fully in accord with any further extension of the programme, I do not believe that it is a good move for this to be done by disturbing this fund. I would not, perhaps, be so inflexible about the interest from the fund. It could possibly be considered that the use of the interest from this fund might be justified in a further programme of the nature outlined by the Minister. But, Mr. President, I cannot support the Bill as it stands because, as I have said, it does contemplate using some of the fund which was created by an Act of this Parliament commencing way back in 1939 and which has been contributed to by people who are directly interested very largely in the dairying industry. Therefore, I am not able to support the Bill at this stage.

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

#### MORPHETT STREET BRIDGE ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from July 19. Page 663.)

The Hon. C. R. STORY (Midland): In 1964 this Parliament passed legislation which enabled the Adelaide City Council and the State Government to get on with the joint venture of building a new bridge in the vicinity of Morphett Street. I think everybody who knows the situation and knows the bridge that existed would agree that a new bridge was necessary. The new structure has progressed very well, and the old structure has now been removed. An agreement was reached between the City Council and the Government of the day (the Government led by Sir Thomas Playford), and the broad terms of the agreement were that the Government would provide the whole of the money initially, one half of the total amount of about \$3,000,000 being provided from Loan funds and the other half from the Highways Fund. The City Council was to commence repaying its portion of the loan at the conclusion of the project. The arrangement was that it had 30 years in which to repay the money to the Highways Fund. I think that is broadly the position in which we find ourselves today.

The Government now intends to alter the whole financial principle of this agreement. It does not upset the arrangement between the Government and the City Council, but it does upset the financing of this venture and, in the process, it affects the finances of this State and

the finances of the Highways Department, very greatly. The Minister of Local Government, in introducing the legislation, had this to say:

The amendments proposed in this Bill should be considered against the whole background of Treasury finance through Revenue Account, Loan Account and special accounts, and in particular having regard to the relationship between the roads funds and other funds. The common situation with Government finance in all States appears to be that the demands of the community for works and services are in excess of the funds and resources available towards meeting those demands.

He goes on further to point out that there are heavy pressures on the Revenue Account, that there are pressures upon the Loan Account which are just a little less heavy, and that there are pressures on the road funds which are just a little less heavy again. It is interesting to consider where these pressures come from. Who put the pressures on at these various points? Surely it is a matter for the Government whether it allows the pressures to come on the Revenue Account, on the Loan Account, on the roads account or on any other account. This is a matter of Government policy.

I do not wonder at all that there are at present heavy pressures on the Revenue Account, for this has been very obvious to all members who have spoken in this Council since the change of Government. In fact, I think that, in the opinion of many people when they read the policy speech that finally brought the present Government into power, it was inevitable that this would happen. It was obvious then that these pressures were going to be exerted, and exerted in the exact spheres in which they have now manifested themselves.

Let us examine the position with regard to the Highways Department and its funds over a short period. The Highways Fund is made up from several sources, particularly from the State Treasurer who provides, through the various Acts of Parliament, motor taxation, Loan funds and sundries. At present from motor taxation we are getting \$11,000,000 into the Highways Fund; we are getting nil from the Loan funds; and we are getting \$46,000 from the sundries section. Also, the local authorities—our district councils and our municipalities—are paying back certain loans that have been made in the past, either interest-free or interest bearing, for machinery, a system that was commenced under the Hon. Sir Norman Jude when he was Minister of Roads and Local Government. These are now being repaid, and of course they find their way back into the Highways Fund.

In 1965-66, these repayments totalled \$1,300,000. It is interesting to note that the Road Maintenance Account, made up of tax paid at the rate of one-third of a penny a ton-mile by the various operators under Statute, brought in \$1,426,000 in 1964-65 and \$1,903,000 last year, which is getting very close to the \$2,000,000 which it was forecast when the legislation was introduced that this tax might bring into the Highways Fund. The other source of income is the grants under the Commonwealth Aid Roads Act; that is split into two sections, and amounts to \$16,024,000. Therefore, the Highways Fund in 1965-66 had an income of \$32,277,000. As has been pointed out by previous speakers, a peculiar system of finance is operating whereby the Highways Fund has been required to reimburse the Loan Fund, which in earlier periods contributed certain moneys to the Highways Department so that it could take advantage of Commonwealth moneys provided under the Commonwealth Aid Roads Act. In 1964-65 the sum of \$600,000 was repaid from the Highways Fund to the Loan Fund; in 1965-66, the sum of \$640,000 was filched from the Highways Fund back into the Loan Fund; in 1966-67 the Treasurer pointed out that \$1,000,000 would come back from the Highways Fund to the Loan Fund; and in 1967-68 it is proposed to take another \$240,000 into the Loan Fund. That makes a total transfer from Highways Fund to Loan Fund of \$2,480,000.

In addition to the lastnamed amount, which is a large sum to take from the Highways Fund, the whole of the finance for the Morphett Street bridge is to be borne by the Highways Fund. The estimated cost of the bridge, which is \$3,400,000, will have to come from that fund, so the total is \$5,880,000, which is about the amount it was necessary for the Government to juggle to balance the Budget. Of course, it does not balance the Budget at all: it merely takes money from one account and puts it in another, which is simply a method of convincing oneself that one is solvent. Such a system does not work, as anybody would know.

I now refer to other matters concerning the finance of this department. I have mentioned \$5,880,000 that will not be available for use on roads in the next few years. In addition, the Jervois bridge (estimated cost \$1,544,000), Kingston bridge (estimated cost \$2,400,000), Port Augusta bridge (estimated cost \$1,600,000), Murray Bridge road bridge (and



I do not know which of the four or five different sites suggested to the Public Works Standing Committee will be accepted, but the average of the highest and the lowest estimate is \$850,000), and the Highways Department building extensions at an estimated cost of \$1,762,000, make a total of \$8,156,000. The two totals combined amount to about \$14,000,000 that the Highways Department will be deprived of between the current period and 1970-71. As I understand it, all of these projects are priority works; all are necessary, and all have been placed before the Public Works Committee and evidence has been submitted that each is an urgent project.

The Minister has said that as long as Commonwealth Government money is matched we should be all right. I cannot agree with that statement. First, to whom does this money belong? In the case of the  $\frac{1}{4}$ d. a ton-mile tax, one of the strong points made at the time the Bill was before this Chamber and another place by the responsible Minister (and I take it that one Minister would not repudiate anything that another Minister had done) was that this money was necessary to assist the Highways Department to get the State's roads up to world standard. When the present Minister came back from his overseas trip I asked whether he would care to comment on what he had seen of roads while he was away, and he assured me that our roads were not up to the standard of those he had seen on the Continent and in other places. I believe that statement was correct. I think the Minister and his predecessor, who also went overseas, would agree that South Australia has a long way to go to get its highways up to world standard. When road users contributed tax at the rate of  $\frac{1}{4}$ d. a ton-mile it was thought (and this cushioned the blow a little) that this money would be spent wholly and solely on roads.

The Hon. Sir Norman Jude: It must be so spent under the Act.

The Hon. C. R. STORY: Yes. My point is that it softened the blow a little for people to know the money would be spent on roads. As the Statute lays down where the money is to go, one would expect that this would be nice and snug for as long as the money was collected. The same argument has been used over the years (and I have no doubt that the Minister now occupying the position would use a similar argument, if he had to use one at all) to justify increasing motor car registrations or licence fees. The Minister would say that the whole of the money collected, less

administrative costs, would be applied to providing better roads. Is that the position now? I do not believe that it is. I believe we should spend every penny collected from road users, from any source, on roads. The Walsh Government started the policy of building bridges from the Highways Fund; that was a new departure.

The Hon. S. C. Bevan: It was not a new departure at all.

The Hon. C. R. STORY: It was a new departure, because the Blanchetown bridge was financed from Loan funds under the Playford Government. That Government proposed to build the Jervois bridge from Loan funds, but there was a change of heart later.

The Hon. S. C. Bevan: Who said that there was?

The Hon. C. R. STORY: I did.

The Hon. S. C. Bevan: Where did the honourable member get that information?

The Hon. C. R. STORY: I read it in reports. The Minister was a member of the Public Works Standing Committee when the Jervois bridge project was investigated. He should have ascertained where the money was to come from. However, it is no use ruminating about such things now, but the bridge will be paid for from the Highways Fund. It is the first of the major bridges to be paid for out of the Highways Fund and not out of Loan funds. The other major bridge was, of course, paid for out of Loan funds. But all the bridges that I have detailed, as I understand the position, will cost about \$8,000,000; according to all reports, they must be built and completed by 1971, and they will be paid for out of the Highways Fund.

There is a second slice out of the cake. The Minister has pointed out that the extensions to the Highways Department building are necessary because of the additional staff now employed in that department. This is reflected in the Auditor-General's Report. Also, the Metropolitan Adelaide Transport Study is being financed by the department, out of the same funds.

The Hon. S. C. Bevan: You can't blame me for that! The Playford Government said this was to come from the Highways Fund.

The Hon. C. R. STORY: I am not blaming the Minister for any of it; I am merely pointing out the folly of the Government's doing what it is doing.

The Hon. Sir Norman Jude: You are blaming the Treasurer.

The Hon. C. R. STORY: Yes; I am not blaming the Minister. I am merely pointing out the position we are getting ourselves into by dipping into the Highways Fund; I am mentioning some of the things going on at present.

The Hon. S. C. Bevan: Isn't this revenue?

The Hon. C. R. STORY: I will come to that in a minute. Payments made so far on the Metropolitan Adelaide Transport Study, which has been going on since June 30, 1966, amount to \$290,000 for the year. The total costs originally anticipated were \$360,000, but we know that a survey like this requires additional personnel, and that the whole project must have escalated if it is necessary to duplicate the building at Walkerville. That was not anticipated when the scheme first came before the Public Works Committee.

The Hon. S. C. Bevan: It was.

The Hon. C. R. STORY: It is probably natural for the Highways Department to think, "These people will grab our money and get it away from us; we had better have something for ourselves while we can get it: we will put it into a building. We will get something out of it."

The Hon. Sir Norman Jude: Look at the Minister smiling!

The Hon. C. R. STORY: He is a realist.

The Hon. S. C. Bevan: I am thinking about what the previous Minister said at the opening of that building. I will tell you later on.

The Hon. C. R. STORY: It is all right. The previous Minister was a realist, but he was not getting in as early as the present Minister. He gave himself another three years.

The Hon. S. C. Bevan: He miscalculated a little.

The Hon. C. R. STORY: The taking of this money from the Highways Fund is folly, because the Government has a problem: it is short of money. It has also an unemployment problem. It does not admit that it is serious, but it is a problem. To my way of thinking, the best way to get out of an unemployment problem and become solvent is to create something that will employ people, on the one hand, and get money circulating, on the other. No doubt, this had something to do with the premature building of the Walkerville extensions—to try to get some money flowing in this direction.

The Hon. S. C. Bevan: To help people out of work.

The Hon. C. R. STORY: Maybe, and it will have some effect. However, as I see it, the most important thing is that our \$5,000,000 present deficit, which the Treasurer has said he has balanced by taking funds from other sources (to make it look as though it balances!), has gone into squaring up a Revenue Account that had got into difficulties, not by productive work, not by things that are lasting and have got people somewhere but by gimmicks and frills, not one of which has produced anything worthwhile or made anybody any better off. In fact, the State is worse off.

For instance, the first thing was service pay, which did practically nothing to help anybody: it merely depressed industry throughout the State. Then there was the recent announcement of a week's extra leave, a great burden upon the economy of the State; it has to be paid for. The Government asked for wage increases in the early part of its regime, which cost the State a tremendous amount of money. Then we had additional social service benefits, which I do not think have benefited anyone greatly. Public relations officers were employed, and a department was set up under the Premier, about which there has been much talk but from which we have had practically no action, because we have not seen a great influx of oversea industry; but we do know it has cost the State dearly. If the department is attracting commerce, that is very good, but I do not think it is.

The Hon. S. C. Bevan: You seemed to make a fair amount of political capital out of it when it was not done; now you are complaining about it.

The Hon. C. R. STORY: If this money that has been taken to balance the Budget were applied to road building throughout the State (and there are many places and there is plenty of scope for it), the contractors, on the one hand, and the people they employ, on the other hand, would benefit enormously. In turn, those people providing motor vehicles and heavy equipment would benefit, and it would snowball through that sector of industry in the State. The people handling bitumen, and so on, would benefit, and we would be getting something for our money. This is most important. Under the Commonwealth Aid Roads Act, we are obliged to supply matching money (the formula is available for any honourable member to see), but district councils are limited in the way in which this money can be spent.

The PRESIDENT: Is the honourable member connecting this up in any way with the Bill?

The Hon. C. R. STORY: Yes; I am referring to the Highways Fund and the distribution of the \$1,070,000 from the Loan Fund which will now come to the Highways Fund. I will connect it up, Sir. Under the Commonwealth Aid Roads Act the definition of "rural roads" is clear; it is:

roads in rural areas (including developmental roads, feeder roads, roads in sparsely populated areas and in soldier settlement areas and roads in country municipalities and shires) other than highways, trunk roads and main roads.

So, as I see it, the dissipation of this money will mean that little money will be left for main roads in our country areas. The district roads will be all right up to a point because rural aid money can be drawn, but in the case of main roads the money is normally obtained from any excess that the department has, and the department has had an excess up to the present. However, not nearly as much money will be available as was available in the past. Consequently, I am unhappy with the position and, like the previous speaker, I should like an assurance from the Minister that road grants to district councils will not be cut severely, because the councils have entered into commitments for machinery on the assumption that the pattern of the grants will be the same in the future as it has been in the past.

The grant of a council in my district has been cut severely, and as a result it has too much equipment in relation to the grant it will receive this year. I do not want to see district councils with large amounts of money tied up, because it will have to be repaid if there is no work for the councils. I should like the Minister's assurance that there will be no cuts. The present time is critical in areas that are not having the best of times, and some road work is extremely beneficial. I support the Bill.

The Hon. L. R. HART (Midland): My main concern with this Bill is not so much that it repudiates an arrangement entered into by Parliament itself, with the full support of the present Government members, but that it upsets a long-standing practice that has very substantially assisted the development of this State. It has been pointed out by other honourable members that this State's finances fall into three accounts; the first is the Revenue Account, into which are paid the various kinds of taxation collected by the State and other

charges imposed by it. Out of this account the day-to-day running expenses of government must be met. The second account is the Loan Account, which is composed of money supplied by the Commonwealth Government that must be amortized over 53 years. This money is used mainly for capital construction works of a non-recurring nature that will last for 30 to 40 years, which should rightly be paid for not only by the present generation but also by generations to come. Bridges, of course, fall into this category.

The third account is the Highways Fund, into which are paid motor vehicle registration fees, driving licence fees, road maintenance fees and contributions from the Commonwealth Government under the Commonwealth Aid Roads Act, 1964. It must be remembered that the people who pay into this account also contribute, often very substantially, to the Revenue Account. The Highways Fund is used for the general expenses of highways work, administrative costs, road building, road maintenance, building of culverts and everything else associated with roadworks (other than capital construction works). The number of major construction works has previously been less than the number needed at present.

Furthermore, this number will substantially increase in the future as the need arises for stronger bridges and more substantial roadworks over which heavy loads, including containerized cargoes, will be carried. If the Government follows the policy adopted in this Bill that Loan moneys that have been advanced to the Highways Department shall be paid back to the Loan Account at the direction of the Treasurer, we shall soon find that the Highways Fund will be insufficient to provide for capital works needed in the future. As the Hon. Mr. Story has just said, many substantial structures will be needed in the next five years, some of them sooner than that. He mentioned the Jervois bridge, the Morphett Street bridge, the Kingston bridge, the Port Augusta bridge, and the possibility of a new bridge over the Murray River. In addition, one or two overpasses will be needed at the Cavan crossing. All these structures will need much money, which the Highways Fund will be unable to provide unless some of its normal planning is curtailed. I agree with the Hon. Mr. Story that the main reason for the proposed erection of the new Highways Department building is possibly to give a boost to the building industry.

If we are to proceed with these necessary structures and to adhere to a time table, the

Highways Fund will be unable to provide the necessary finance while at the same time it finances the normal work that we expect to be carried out each year. Undoubtedly the result will be an increase in motor registration fees and drivers' licence fees and, possibly, an increase in road maintenance charges. The Government will say that it is necessary for it to increase these charges to boost the Highways Fund so that it can carry out necessary roadworks in this State, but this will not be the situation at all. It will be necessary to boost the Highways Fund only because it is being asked to pay back those sums of Loan money that have been advanced to it over the years. The reason for these advances was that at one stage the Highways Fund was unable to cope with its normal programme and, at the same time, to build some of the structures that were needed.

The obvious thing to do was to make an advance to the Highways Fund from the Loan programme. The sole purpose of paying the money back is to enable the Loan Fund to take over some of the commitments of the Revenue Account and thereby, as has already been pointed out by other honourable members, satisfy the Government's desires in social legislation. One should realize that there could be further raids on the Highways Fund in relation to repayment of Loan funds, because over the years the Highways Fund has had over \$13,000,000 advanced to it, of which just over \$4,000,000 has been paid back to the Loan Account. At present, the Highways Fund is indebted to the Loan Account for over \$8,000,000. If the Government follows its present policy, the Highways Fund each year can be expected to repay to the Loan Account a sum that the Treasurer may specify. This sum could well leave the Highways Fund with insufficient matching money to obtain the Commonwealth Government grant.

The present raids on the Highways Fund need not necessarily be the last ones: it could in future be raided to the extent of some \$8,000,000. This is a matter of deep concern to the State, which, if it is to advance, develop, and improve its finances, must have sufficient good roads to carry the increased amount of traffic resulting from further development. It may be that the Government is not interested in building major roads because of its policy of trying to force as much transport as possible on to the railways.

The Hon. R. C. DeGaris: That probably explains the deterioration of the roads.

The Hon. L. R. HART: Deterioration of the roads will mean that further traffic will be forced on the railways, but will the railways be able to cope with it? The Government's policy is that the motorist will be taxed to improve the condition of the railways. I support the second reading of the Bill, but with some misgivings. I am opposed to the Government's policy of continually raiding the Highways Fund.

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

#### SUCCESSION DUTIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from July 20. Page 737.)

The Hon. H. K. KEMP (Southern): It gives me pleasure to be able to support a Bill on succession duties that has been brought forward by a Labor Government. In common with previous speakers, I am in agreement with all the proposed amendments and the further amendments that are detailed on the files. Clause 3 (e) (ii) provides:

. . . engaged in the work of providing ambulance services, medical attention, recreational facilities, entertainment, accommodation or sustenance for any such members on active service as provided by subparagraph (i) of this paragraph . . .

This provision does not include the medical teams serving the non-military population in Vietnam. I think the Government should give some thought to expanding the privilege to these people, who are, I believe, serving without any pay and providing very valued services in that area. Other non-military personnel are also involved, such as school teachers and missionaries. These people, too, should be given the same privilege. The only difficulty would be the Government's deciding whether their efforts are worth while. The terminal paragraph of clause 3 provides:

. . . if such wounds were inflicted, such accident occurred or such disease was contracted within 12 months before death.

In many cases in war there is a long period between injury and death. The period of 12 months should be extended; in fact, no limitation should be imposed where a wound or a disease is associated with the war. I consider that further consideration should be given to the scope and the time element involved in clause 3. I support the Bill.

The Hon. A. J. SHARD (Chief Secretary): I thank honourable members for giving this Bill such close attention. A number of matters have been raised, but I think most of

them were covered in the speech made by the Hon. Mr. DeGaris. However, when we get into Committee I shall be prepared to listen to any further matters that may be raised as we go through the clauses. The Hon. Mr. DeGaris raised several matters in connection with the Bill. The first relates to the non-inclusion of persons serving as masters or members of a crew of a British ship. This provision was not included in relation to Malaya. If the honourable member considers that it ought to be included in relation to the new clause which extends the exemptions to cover other areas, he may, of course, move an amendment to this effect and the Government will consider the matter.

The second point relates to the marginal note in relation to the amendment to section 56a. This is purely a matter of practice, the marginal note being an exact copy of the existing marginal note to section 56a for the convenience of honourable members. Any necessary alteration would normally be made in the event of a consolidation as a matter of course. The next point relates to the same section dealing with the rate of duty derived from illegitimate children by a parent. This is a drafting matter but it is considered that new subsection (1a) is in the appropriate place.

The next point is a matter of more substance. The honourable member raised the question as to how the Minister's discretion relating to children adopted *de facto* would be exercised. It was admitted that it would be difficult to write appropriate principles in the legislation. I can only say that it is to be assumed that Ministers, whoever they are, will act fairly and honestly and have regard to all the circumstances of particular cases. Not many of these cases arise, and circumstances vary so greatly from one to another that it would defeat the object of the legislation to set down a series of principles to guide the Minister in the exercise of his discretion. The matter must be left to the discretion of the Minister, who would have regard to such matters as the age of the person concerned, the length of time during which the person lived with the *de facto* parent, and other matters which would be based on common sense.

The last point made by the honourable member related to clause 7, which will limit the operation of the Second Schedule to property given for the sole or predominant purpose of the advancement of religion, science or education in the State. The important words are the words "in the State". It is considered that the concession should be

limited to cases where the advancement of religion, science or education takes place in the State itself and not in cases where large sums of money may be obtained and expended, for example, in other parts of the world. I hope that reply will assist the Hon. Mr. DeGaris. As I said before, I am prepared to listen to any further points that may be raised in Committee.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Application of Part IVA to Korean War and certain other operations."

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

That it be a suggestion to the House of Assembly that section 55aa (i) (e) be amended by striking out "and" preceding the final paragraph; and by striking out "if" in the final paragraph and inserting "where".

Suggested amendments agreed to.

The Hon. H. K. KEMP: A few moments ago the Chief Secretary undertook to consider my earlier remarks when we reached this clause.

The Hon. A. J. SHARD: I am sorry that I was not in the Chamber when the honourable member spoke during the second reading debate. I am quite happy to move that progress be reported.

Progress reported; Committee to sit again.

#### HIGHWAYS ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from July 20. Page 738.)

The Hon. M. B. DAWKINS (Midland): I rise to address myself to this Bill, which on the face of it is a fairly short measure, its main effect being to amend section 26c of the principal Act. Clause 3 (b), in the words of the Minister, provides for the insertion of a provision empowering the Commissioner to require any council whose district is traversed by a road lighted by the Commissioner to pay to him one-half of the cost of lighting so much of the road as lies within the district.

The information I have regarding this is that at a meeting of, I think, mayors, chairmen and clerks, called in April, 1966, this scheme was explained. I believe it was explained to these gentlemen in some detail by the Assistant Chief Engineer for Planning for the Highways and Local Government Department (Mr. Johnke), for whose ability I believe we all have considerable respect.

However, I also understand that it was implied, if not actually stated, that the initiative would remain with the councils in this matter.

My colleague, the Hon. Mr. Hill, raised some queries about this measure with which I agree. He also made the point that the contribution of the councils had been raised from one-third to one-half, and that in some cases this increase would be more than that because if a council's one-third was more than 18 per cent of its rate revenue it would be paying not the full amount due but only up to the extent of that 18 per cent.

The Hon. Sir Norman Jude: Doesn't it refer mainly to traffic lighting?

The Hon. M. B. DAWKINS: I think it refers mainly to lighting of main roads. I believe the department suggested that it would be appropriate to pay 50 per cent of the cost of lighting of arterial roads with road reserves of 80ft. or more in width to accommodate four or more lanes supported by a fifth lane or a median strip. I understand this was under the terms of a suggestion to the councils and that it was not necessarily a requirement but rather a suggestion from the Highways Department.

I have two queries: first, is it necessary to increase the rate from one-third to one-half and, secondly, do the councils clearly understand that the requirements would be obligatory and that the boot would be on the other foot if the Highways Department wished to exert its full authority? I have had some queries from representatives of country councils on this matter. The other suggestion at the meeting previously mentioned was that freeways be completely provided for by the department. I do not know whether that is still to be the case because I cannot see any such indication before me now. I seek some assurance from the Minister on the matters I have mentioned. I hope that it is not envisaged to use the big stick on district councils requiring them to provide lighting and I also hope that, as suggested, freeways will be provided for by the department.

The Hon. C. M. Hill: That could be written into the Bill.

The Hon. M. B. DAWKINS: Yes. I am not opposing the Bill; I am seeking an assurance from the Minister on this matter because I think it may affect country councils who at present are not obligated to provide lighting on main roads or intersections where a municipal area is not involved. I believe provision is at present made for main road lighting in country areas in section 26c (a) of the Highways Act, and I trust with these proposed amendments the Minister is not seeking to override that provision.

I notice in the transcript referring to the aforementioned meeting that it was a case of the Commissioner accepting a suggestion from the councils rather than the Commissioner requiring the councils to do certain matters, as would appear to be the case in the wording of the amendment suggested. An extract from the transcript reads:

Let me stress here that we would only consider contributing to the lighting of these roads if the lighting were brought up to the standard of the Code. If Councils are not prepared to accept the standard which our Department wants, then we are not interested in contributing to that scheme. If it is brought up to Code lighting and we are accepting 50 per cent, this could mean that we would be liable to contributing towards approximately 40 miles of road at present.

I mention that only because the councils heard about this and presumably agreed to it. The understanding seems to be in terms of the Commissioner accepting terms of the councils rather than his requiring councils to provide lighting here, there and everywhere, which technically he would be empowered to do as a result of these proposed amendments. I do not intend to speak further on the Bill but I ask the Minister to give some assurance on the matters I have raised when he replies. With the reservations I have mentioned, I support the second reading.

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

#### ADJOURNMENT

At 4.16 p.m. the Council adjourned until Wednesday, July 26, at 2.15 p.m.