

LEGISLATIVE COUNCIL

Tuesday, August 8, 1967

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

ASSENT TO BILLS

His Excellency the Governor's Deputy, by message, intimated his assent to the following Bills:

Fruit Fly (Compensation),
Prices Act Amendment.

QUESTIONS

SOLDIER SETTLEMENT

The Hon. R. C. DeGARIS: I seek leave to make a brief statement prior to asking a question of the Minister representing the Attorney-General.

Leave granted.

The Hon. R. C. DeGARIS: The war service land settlers in what is known as Zone 5 have over a number of years taken certain action about their rental. They have approached various Governments and finally have resorted to legal action. The matter has become most complicated and difficult for any layman to follow. Speaking to some of the settlers recently, I found that they despaired of their case ever being heard in a court. Can the Minister representing the Attorney-General tell the Council what the present position is in relation to Zone 5 soldier settlers, what the delay is in hearing their case and whether any action can be taken to assist that case to come before the court?

The Hon. A. J. SHARD: I know nothing of the case, but I am quite prepared to take up the matter with the Attorney-General and obtain a reply as soon as possible.

BAROSSA WATER DISTRICT

The Hon. L. R. HART: I ask leave to make a statement prior to asking a question of the Minister of Labour and Industry representing the Minister of Works.

Leave granted.

The Hon. L. R. HART: From time to time I have raised in this Council the need for an improved water supply in the Virginia-Two Wells area. With the present dry conditions, there is fear that there will be a totally inadequate supply for this area in the coming summer. The last occasion on which I raised this issue was on October 25, 1966, when the Minister of Works gave the following reply:

Loan funds likely to be available to the department are fully committed for several years, and present indications are that funds for a scheme to improve the Two Wells area and supply Virginia could not be made available until 1969-70 at the earliest. Although a preliminary scheme has been prepared, the proposal will have to be referred to the Public Works Committee, for consideration, in due course.

Since then, restrictions have been placed on the supply of underground water; consequently, the position in that area is now very grave. Can the Minister say whether further consideration has been given to the improvement of the water supply from the Barossa reservoir in the Two Wells-Virginia area?

The Hon. A. F. KNEEBONE: I shall convey these matters to my colleague and bring back a reply as soon as one is available.

YORKETOWN HOSPITAL

The Hon. M. B. DAWKINS: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. M. B. DAWKINS: I have been informed that, in common with many other parts of the State, there is a need for considerable improvement to the hospital facilities at the bottom end of Yorke Peninsula and in Yorketown. The need would very largely be covered by the construction of a new wing at the Yorketown Hospital. Can the Chief Secretary say whether the Government has considered the provision of a subsidy to enable the necessary extensions to be built at this hospital?

The Hon. A. J. SHARD: Let me correct the first part of the honourable member's statement: conditions in most hospitals in this State bear comparison with those in any other State.

The Hon. M. B. Dawkins: I didn't mean that.

The Hon. A. J. SHARD: That is what the honourable member said. He should say what he means. It has been the policy of this Government and the last Government to improve the standard of hospitals in this State. As Chief Secretary, I am proud of what has been done over the years. However, I cannot call to mind what has been done regarding the Yorketown Hospital. I know that much money will be spent on a number of hospitals this year. I shall obtain a report on what is being done and what is proposed to be done regarding the Yorketown Hospital.

INFLAMMABLE CLOTHING

The Hon. V. G. SPRINGETT: Has the Chief Secretary a reply to the question I asked on July 18 concerning inflammable clothing?

The Hon. A. J. SHARD: Yes. The problem of the inflammability of some materials used in the manufacture of clothing, particularly some articles of children's clothing, has been discussed at conferences of Ministers of Health of all States and at conferences of Ministers of Labour of all States. There are many factors which have to be borne in mind, but the Ministers of Labour at their next conference, which will be held in Adelaide on September 29, will be considering the need for legislation to label children's inflammable clothing in the light of information which is being obtained in the various States. It will be appreciated that, if legislation of this nature is to be effective, it is essential that it should be uniform in each State and in the Commonwealth, in respect of imports.

HOARDINGS

The Hon. H. K. KEMP: I ask leave to make a short statement prior to asking a question of the Minister of Railways.

Leave granted.

The Hon. H. K. KEMP: Yesterday, when returning to Adelaide along the South-Eastern Highway I noticed large new advertising hoardings on railway property at Brukungasing and at the Nairne railway station. These hoardings are obviously directed at the road traffic; in fact, it would be impossible for a passenger in a railway carriage to see them. It is unnecessary to remind this Council of the long and bitter fight that was necessary to clean up the rash of advertising hoardings that disfigured our roadsides throughout the countryside during the 1930's. We now have the case of a Government department that is obviously gaining revenue by letting advertising sites in locations where other sections of the community are prevented from advertising. What is worse, the Government is flouting a popular decision which was made by the community many years ago with the aim of preventing the natural beauty of our countryside from being disfigured.

The PRESIDENT: The honourable member is debating his question.

The Hon. H. K. KEMP: Will the Minister of Railways direct that these and other hoardings on railway property, which have been

erected to attract the attention of passing road traffic, be removed immediately?

The Hon. A. F. KNEEBONE: I do not know whether I should get up to reply because I do not know that there is any Minister of Railways available in this Council or in another place. I inform the honourable member that I am the Minister of Transport. I shall obtain a report for him as soon as possible.

The Hon. Sir NORMAN JUDE: In view of the previous policy decided upon during the last few years regarding these hoardings, will the Minister of Transport ascertain from the Railways Department whether the advertisements mentioned by the Hon. Mr. Kemp were referred to the Road Traffic Board? I understand that this has been the policy.

The Hon. A. F. KNEEBONE: I shall bring back a report for the honourable member as soon as it is available.

MATRICULATION COURSES

The Hon. M. B. DAWKINS: Has the Minister of Transport obtained from the Minister of Education an answer to my question of August 1 regarding matriculation classes in country areas?

The Hon. A. F. KNEEBONE: Yes; I answer the honourable member's question with pleasure. My colleague's reply is as follows:

The question of whether Balaklava High School is to have a matriculation class in 1968 is at present being investigated. Availability of suitable staff will be a prime consideration, and it may be two or three weeks before a decision can be made.

AGRICULTURE COURSE

The Hon. V. G. SPRINGETT: Has the Minister representing the Minister of Education a reply to my question of August 1 regarding agriculture courses in the South-East?

The Hon. A. F. KNEEBONE: My colleague reports as follows:

It is possible that an adaptation of the new course for the Urrbrae Certificate of Agriculture will eventually be framed to suit the South-East. No doubt such a course would include aspects of forestry. The success of the new course at Urrbrae and the demand for it in the South-East at some future time will determine likely action. At present, numbers likely to offer for such a course would be so small that it could not be considered as a practicable proposition, especially in view of the fact that it would be demanding of specialist staff already in short supply.

KINGSTON-ROBE ROAD

The Hon. R. C. DeGARIS: In view of the fact that the road from Kingston to Robe is under reconstruction, will the Minister of Roads ascertain the length of this road that will be bituminized before Christmas, 1967?

The Hon. S. C. BEVAN: I shall obtain the information for the honourable member and convey it to him as soon as possible.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Read a third time and passed.

LOTTERY AND GAMING ACT AMENDMENT BILL (No. 2)

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

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

That this Bill be now read a second time.

It makes a number of miscellaneous amendments to the Lottery and Gaming Act that are mainly designed to effect certain changes in the administration of the Act and in the administration of racing so as to assist the various racing and trotting clubs to improve the standard of racing in this State and to provide a better service to the public. Section 19 of the principal Act sets out the present limitations on the use of totalizators by the various clubs. At present there are 49 meetings at which the totalizator may be used within 15 miles of the General Post Office in any year: 17 to Morphettville racecourse, 16 to Victoria Park racecourse, and 16 to Cheltenham Park racecourse.

The Gawler Jockey Club uses the totalizator at the Evanston racecourse, Gawler, on eight Saturdays in the year, but that club now desires to forgo Saturday racing dates and race on mid-week dates, which would leave those Saturdays free for re-allocation to Morphettville, Victoria Park and Cheltenham Park racecourses. It has also been agreed between the racing clubs concerned that, subject to the passing of the necessary legislation by Parliament, the final three meetings of the 1967 racing year, which are presently allocated to the Gawler Jockey Club, Incorporated, would be conducted on one or other of the metropolitan racecourses, the actual venue of each meeting to be as approved by the Chief Secretary.

As section 19 in its present form needs revision to give effect to these changes, clause

3 of the Bill repeals and re-enacts the section. The effect of paragraphs (a), (b) and (c) of subsection (1) of the section as so re-enacted is that the racing dates for the year 1967 allocated to the three metropolitan clubs will be unchanged, but from 1968 the eight Saturday racing dates previously allocated to the Gawler Jockey Club will be allocated as follows: three days permanently to Morphettville racecourse; and three and two dates alternating each year between Victoria Park and Cheltenham Park Racecourses, with Victoria Park being allocated the three dates for 1968 in accordance with an agreement reached between the clubs concerned.

Paragraphs (d) and (e) of subsection (1) of the section as re-enacted correspond in substance with paragraphs (a1) and (a2) of the present section. Subsection (1) (f) will make it possible for mid-week racing to be conducted at Gawler on 13 days in the year as from 1968. It is proposed that, of those fixtures, the Gawler Jockey Club will be allotted 10 days and the Barossa Valley Racing Club three days. Subsection (1) (g) corresponds in substance with paragraph (b) of the present section except for the proposed separation from that paragraph of the Gawler fixtures as from 1968. Subsection (2) of the section as re-enacted corresponds in substance with the first proviso to paragraph (a) of the present section. Subsection (3) of the section as re-enacted corresponds in substance with the second proviso to paragraph (a) of the present section. Subsection (4) of the section as re-enacted corresponds in substance with the third proviso to paragraph (a) and the proviso to paragraph (b) of the present section. Subsection (5) of the section provides for the transfer of the final three meetings of the 1967 racing year allocated to the Gawler Jockey Club, Incorporated, to the metropolitan courses.

Clause 4 of the Bill amends section 21 of the principal Act, which deals with the use of the totalizator at trotting races. Under that section, at present trotting clubs in the three zones outside the metropolitan area, namely, Eyre Peninsula, the South-East and the Murray area, are permitted to conduct meetings only on Saturdays and public holidays. This has in the recent past proved to be an undue restriction in that the clubs concerned have not been able to plan their programmes to take advantage of local conditions. The country clubs concerned have, through the South Australian Trotting League Incorporated, requested the Government to

introduce legislation to remove this limitation so that they may lawfully conduct trotting meetings on any day of the week.

In support of this request the clubs have also submitted that removal of the restriction would enable them to take advantage of carnival periods in the respective areas and the consequent gathering of large numbers of trotting enthusiasts on those occasions and to make provision promptly for the holding of meetings that have to be postponed on account of inclement weather. Some of these country clubs are unable to hold a Saturday meeting in substitution for a postponed meeting because other clubs also race on Saturdays at present. It is also probable that, because the Totalizator Agency Board is providing T.A.B. facilities to the South Australian Trotting Club on Saturday nights, such facilities would not be granted to any other trotting club on Saturdays for some time at any rate. Accordingly, paragraph (a), (b) and (c) of clause 4 remove the limitation imposed on those country clubs restricting them to racing on Saturdays and public holidays only. In addition, paragraph (a), while limiting the use of the totalizator on Eyre Peninsula to an aggregate of 20 meetings in the year 1967, raises that limit to aggregate of 40 meetings a year in any year thereafter. This increase has also been recommended by the South Australian Trotting League Incorporated.

The Eyre Peninsula zone covers the whole of the State that lies west of the west coast of Spencer Gulf and south of a line across the north-western corner of Port Augusta. At present three clubs are registered in this area: Port Augusta, which conducts 12 meetings a year; Whyalla, which conducts seven meetings, and Kimba, which conducts one meeting. These three clubs at present absorb all the trotting dates available for the whole of the zone. The rapidly increasing population of Whyalla and Port Augusta has created a strong demand for more dates for the zone. In addition the Franklin Harbour Trotting Club (Cowell) has made an application for registration with the Trotting League, and formal approval was granted by the league on July 3, 1967. This would mean that some of the dates normally allotted to previously registered clubs would have to be transferred to this new club unless additional dates were sanctioned by Parliament. There is also a move to form a trotting club at Port Lincoln. Persons interested in trotting in Port Lincoln and Cowell experience great difficulty and hardship in conveying their horses all the way to Whyalla and Port Augusta. For these main

reasons, the league has recommended the increase in the aggregate number of trotting meetings in the Eyre Peninsula zone from 20 to 40 meetings a year.

Clause 5 amends section 28 of the principal Act, which deals with the mode of dealing with moneys paid into a totalizator used by a club. Both the South Australian Jockey Club and the South Australian Trotting League have made representations requesting the amendment of the principal Act to provide for a return to the practice whereby the clubs retain on-course totalizator fractions for distribution to various charities approved by the Commissioner of Police. The Government is agreeable to meeting this request and paragraph (a) of the clause provides, in effect, for the amount derived by a club through off-course fractions to be paid to the Totalizator Agency Board for crediting to the Dividends Adjustment Account. Paragraph (b) re-enacts subsection (5), which guarantees a totalizator dividend equivalent to the amount of the stake except in cases of dead heats. The re-enacted subsection enables the stake to be made up from fractions held by the club or, if the amount held by the club by way of unpaid fractions on any day is insufficient to make up the guaranteed stake, any deficiency will be paid from the Dividends Adjustment Account, which will consist of unpaid fractions derived from off-course investments with T.A.B.. In the redrafting of subsection (5), advantage has been taken to clarify the existing provisions relating to dead heats, the effect of which has not been changed. Paragraph (c) of the clause authorizes a club to distribute its unpaid fractions to such charitable purposes as are approved by the Commissioner of Police (new subsection (6a)) and authorizes the refund to the clubs of amounts paid by them into the Dividends Adjustment Account which are attributable to on-course fractions for payment to charities (new subsection (6b)).

Clause 6 amends section 31n of the principal Act, which deals with the application of moneys invested with the Totalizator Agency Board. The amendment made by paragraph (a) of the clause is consequential on the re-enactment of section 28 (4) by clause 5 (a). Paragraph (b) of the clause re-enacts section 31n (4) so as to bring the dead heat provisions into line with section 28 (5) as re-enacted by clause 5 (b). Clause 7 amends section 31na of the principal Act, which deals with the calculation and payment of dividends and the determination and disposal of unpaid fractions where off-course betting is conducted on a

totalizator used by a club. Paragraphs (a) and (c) are consequential on paragraph (b), which requires all unpaid fractions attributable to off-course investments to be paid by the Totalizator Agency Board into the Dividends Adjustment Account.

Clause 8 amends section 67a of the principal Act, which prohibits the broadcasting, by means of wireless broadcast, of certain betting information. The clause exempts from the prohibition the broadcasting, after the determination of a race or event, of the totalizator dividends declared in respect of that race or event or any other information relating to the betting on any horse that took part in that race.

The Hon. Sir NORMAN JUDE secured the adjournment of the debate.

SUCCESSION DUTIES ACT AMENDMENT BILL

In Committee.

(Continued from July 26. Page 826.)

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

The Hon. H. K. KEMP: I move the following suggested amendment:

To insert the following new paragraph:

(f) any person who has died of wounds inflicted, accident occurring, or disease contracted while engaged by, or with the authority of, the Commonwealth, in the work of providing ambulance services, medical attention, nursing services or advisory services to the civil population in any area outside Australia that is declared by proclamation under paragraph (e) of this subsection to be an area for the purposes of that paragraph, where such wounds were inflicted, such accident occurred, or such disease was contracted within twelve months before death.

The purpose of this amendment is to extend this privilege to the medical teams and other people now serving in Vietnam and other areas—civilian people as well as members of the armed forces, who are doing an admirable job. I had intended asking for this privilege for the police, too, at present serving in Cyprus, but the Government appears to be unwilling to extend this privilege to them.

The Hon. A. J. SHARD (Chief Secretary): While I have not had an opportunity to examine this amendment, I am informed it is acceptable to the Government. However, the Minister in charge of the Bill has been out of the State overnight and I was away last week. At the moment we raise no objection

to the amendment; I believe it will be acceptable as printed when the Minister examines it. I merely add the proviso that a word or two may be altered.

The Hon. H. K. KEMP: Will the Chief Secretary comment on the exclusion of the police and the teachers who have been seconded for duty in these areas?

The Hon. A. J. SHARD: Speaking purely from memory, I understand that where the policemen are serving is not a war zone. The Government thinks that to include them would make the provision far too wide. Within the limits of the amendment as at present drafted, it is acceptable. I am instructed that the Government is not prepared to widen it. We have gone a long way to meeting the honourable member's suggestions, and I ask the Committee to accept the amendment as printed.

Suggested amendment carried.

The Hon. H. K. KEMP: As a consequence of the amendment just passed it will be necessary to strike out "paragraph" first occurring and insert "paragraphs".

The CHAIRMAN: I shall see that that is done.

Clause as amended passed.

Clause 4—"Remission of succession duty in case of persons dying on active service."

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

In new subsection (4) of section 55b to strike out "The amendments of" and "made" and insert "as amended".

This is to make the verbiage clearer.

Amendment carried; clause as amended passed.

Clauses 5 and 6 passed.

Clause 7—"Amendment of Second Schedule to principal Act."

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

In paragraph (b) before "University" to insert "The".

This is just to improve the phraseology.

Amendment carried; clause as amended passed.

Clause 8 and title passed.

Bill reported with suggested amendments. Committee's report adopted.

STATE GOVERNMENT INSURANCE COMMISSION BILL

Adjourned debate on second reading.

(Continued from August 2. Page 978.)

The Hon. JESSIE COOPER (Central No. 2): I rise to oppose this Bill in its entirety. I have not heard to date one reason or excuse for the establishment of a Government

Insurance Commission that has been supported by any worthwhile argument and I can, therefore, only suppose that this Bill has been introduced to satisfy the Labor Party's idolatrous worship of Socialism and to give another thorn, another dig in the side, to those industries and people who are trying to run the State efficiently and to build up its trade and commerce. For years the people of the State have encouraged the establishment of new industries and new commercial concerns. They have been led in this operation by that most able and competent builder of this State, Sir Thomas Playford, who used all the facilities and technical skills available inside and outside our Public Service to devise spheres of activities for new industries, to build a good climate for their introduction and to stimulate their growth when they were introduced.

Now we have before us, not the first and, I am sure, not the last of Bills to be introduced by the present Government with the object of making life harder for existing commerce by socialistic means. Unfortunately, this type of legislation will have the even worse effect of scaring private industry away from South Australia. No large industrial complex is likely to take a chance on establishing any section of its organization in a State where Socialism and anti-private industry bigotry is likely to ride roughshod over it. I consider that it is extremely dangerous for South Australia to have a Government that aims to attack, to knock and to destroy private enterprise, because of the Labor Party's traditional bias and dislike of the man or the company that provides any service for any sort of profit. Labor Governments, in their avowed desire for the socialization of commerce and industry, seem to lose any common sense they may have. They have frequently claimed that socialized industries are necessary in order to provide reasonable competition in a certain field or to provide a service in a field where nothing similar exists. Is that the case here? In the fields of insurance that the proposed Government Insurance Commission is likely to enter, not only is the service provided but there seems to be almost excessive competition, there being, I understand, some 150 local and international companies involved. So what help is that to the people of South Australia?

In the fields of motor vehicle, accident and workmen's compensation insurance the premiums could apparently not be lower; in

view of the various Government and semi-government investigations into these matters. As for life assurance, the major part of that is handled in Australia by societies in which the principle of mutual interest is involved, and those who mainly profit from higher efficiency are the insured themselves. It would appear then that the reason for this Government to meddle in this field must stem from a different idea, whether it be another case of misleading window dressing, or more of the chip-on-the-shoulder attitude towards all private enterprise, or a combination of both. Of course, the Government has stated, perhaps to cover up the real reason for the introduction of this Bill, that there have been numerous complaints and much dissatisfaction in the conduct of insurance business in South Australia, and that competition of the type proposed would remove the causes of such complaints and dissatisfaction.

I should have thought that by now the Premier would have learnt that any organization dealing with the public has claims of inefficiency made against it. This type of claim is produced by many people, frequently as a result of their own ignorance or inability to present their own case properly, often as a result of plain misunderstanding of their rights, and occasionally as a result of ordinary mendacity. After all, we have had years of constant complaints against not only private institutions but Government ones also, such as the Railways Department and the Postmaster-General's Department, to quote a couple.

So, presumably, if we wish to be logical in our arguments and to continue also the present line of reasoning (namely, that competition will remove causes of dissatisfaction) we may anticipate that within the next few weeks the Premier will introduce a Bill to establish another railway system in South Australia to be run by private enterprise in competition with the unsatisfactory Government system. However, perhaps in postal matters we are safe because, presumably in that sphere it is very doubtful whether the South Australian Treasury under the present Government could afford much more than the simplest pigeon post.

The Hon. C. D. Rowe: Could they establish a new Government?

The Hon. JESSIE COOPER: That would be simpler. Again, the Government has suggested that the establishment of a Government Insurance Commission will give the people of South Australia a wider choice. We have

heard much about the Government Insurance Office of New South Wales. Look at the people's choice there. Not only did the people of New South Wales not get a wider choice but today, after 40 years of a Government Insurance Office with 90 per cent of third party insurance now in Government hands, the people of New South Wales are given less choice than they ever had before and are getting a worse deal than people get anywhere else. In fact, the people of New South Wales have been forced into the position where they accept settlements proposed by the Government Insurance Office, and often grossly under the figure normally granted by the courts in similar circumstances, or alternatively they can wait for anything up to five years for cases to be settled by the courts. This is the worst example possible of senseless and inefficient administration of insurance, and the people suffering under it are in distress and need.

Our present Government is, we are told, always thinking of the people's welfare, yet it is attempting to graft this cumbersome and cruel type of system on to our South Australian social structure. And what a time to start such a venture—40 or 50 years too late—if the Government is thinking of profits it can make from the establishment of a Government Insurance Commission. Victoria, Queensland and Tasmania all set up their Government Insurance Offices between 1914 and 1919. New South Wales followed their example in 1927. In those days the whole atmosphere was different in insurance: Workmen's Compensation Acts were completely different from what they are today, and motor vehicle compulsory third party legislation had not been introduced. This was the time when insurance companies were able to build up their funds, and it is on the interest from those funds that most insurance companies rely to provide a reasonable return from their operations.

Today, Government Insurance Offices in the various States are themselves concerned about the downward trend of profits. I am informed that the average profit of all Australian insurers for the five years ended 1965 was 1.47 per cent for all classes of business. So, once more I can see no benefit to the people of South Australia or, indeed, to the Government of South Australia as a result of the establishment of a Government Insurance Office. It would appear that the Government has no rational, arguable reason for its attempt to introduce a Government Insurance Office

beyond the avowed A.L.P. platform of the socialization of the means of industry, production, distribution and exchange. Presumably the Government has every intention therefore of moving another pace along the well-worn, pot-holed, dusty track which leads to disaster and oblivion. I oppose the Bill completely.

The Hon. A. M. WHYTE (Northern): I oppose the Bill, but not because I believe the 150 insurance companies in South Australia should be protected from competition. This Bill does not provide for true competition; a Government Insurance Office could not possibly compete in a fair manner with the existing companies; we know this from the figures that have been quoted. Many companies have stated that they are existing on income from investments and not from their insurance business. It appears impossible for the Government to establish an insurance office and to finance it and for it to compete fairly. It has been said that the need to introduce such an office has been brought about by the unfair practices of some existing companies, such as clauses in small print and a desire to misrepresent. I do not think it is necessary to plague the State's finances with a Government Insurance Office to overcome these anomalies. Surely there are means of correcting malpractices without attempting to establish this commission.

If the Government asserts it has a mandate to do this, I do not actually dispute it; it is entirely its business. However, I point out that this is not the type of enterprise that I should like to enter. Nevertheless, if the Government thinks it can finance it and make it the 151st insurance company in the State and if it traded on an equal basis with the other 150 companies I would not oppose it. However, I know full well that it will be impossible for it profitably to enter this field at present. Therefore, it can only be done by involving other departments and Government officers whose salaries will have to be met from general revenue, and this will cause a hidden increase in premiums.

The Hon. G. J. Gilfillan: A charge on the taxpayers.

The Hon. A. M. WHYTE: Yes. It would not be a true representation of the premium, and it is this very point that was mentioned in the Minister's second reading explanation as a reason for establishing the office—to keep premiums low and to ensure by competition that adequate service is given to the public. I have heard of two cases of insurance companies that have relied on unfair tactics,

but I do not believe that the establishment of another insurance office will overcome this complaint.

The Government Insurance Office would not be able to compete fairly with the private companies; we have seen this in the other States, such as Queensland where all workmen's compensation must be handled through the Government Insurance Office. I agree with the previous Premier (Hon. Frank Walsh), who said that he believed an individual should have the choice of his own insurance company. As evidence of the amount of profit in insurance business today, I have before me some figures which indicate that one nationwide group with a turnover of \$31,000,000 showed no more than 3 per cent on its investment. I cannot see that this could be considered a profitable undertaking, and in my opinion it is not one that the Government should raise money to enter into. Something

that I found interesting was the report of the General Manager of the Tasmanian Government Insurance Office. He said:

It appears that we are becoming more dependent on interest on investment than insurance underwriting to maintain a reasonable surplus.

The Government of South Australia, starting from scratch, would have none of these investments to help it maintain a surplus or even to help it get a footing. Because I consider that a Government Insurance Office in this State could not compete fairly with private enterprise, from which we derive a great deal of our Loan money, I oppose the Bill.

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

ADJOURNMENT

At 3.12 p.m. the Council adjourned until Wednesday, August 9, at 2.15 p.m.