LEGISLATIVE COUNCIL

Thursday, September 14, 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, by message, intimated his assent to the following Bills:

Cattle Compensation Act Amendment,
Electrical Articles and Materials Act Amendment,
Gold Buyers Act Amendment,
Local Government Act Amendment (General),
Real Property Act Amendment (Strata Titles),
Statutes Amendment (Public Salaries).

QUESTIONS

SITTINGS AND BUSINESS

The Hon. R. C. DeGARIS: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. R. C. DeGARIS: In today's *Advertiser* appears a short comment on a statement by the Premier concerning private members' business in another place. Can the Chief Secretary say whether this indicates that this session may be shorter than was originally expected by honourable members and, if it does, can he give any information regarding the future sittings for this session?

The Hon. A. J. SHARD: I do not know what honourable members expected. If by his question the Leader is asking whether this session is to be shorter than the previous two sessions, the answer is definitely "Yes". The Government is aiming to conclude its business by the end of October.

WARREN WATER DISTRICT

The Hon. M. B. DAWKINS: Has the Minister representing the Minister of Works a reply to my recent question regarding water supplies in the Warren district and the new Swan Reach to Stockwell main? Also, will the honourable gentleman obtain for the Council information about how long full-scale pumping into the Warren reservoir has been in progress this year?

The Hon. A. F. KNEEBONE: I do not know whether the honourable member is referring to a previous question or whether he added something to that question.

The Hon. M. B. Dawkins: I did add something.

The Hon. A. F. KNEEBONE: I do not have a reply to the honourable member's previous question, but I shall ask my colleague to provide this information, as well as information on the addendum to the question.

PARLIAMENT HOUSE ACCOMMODATION

The Hon. Sir NORMAN JUDE: I seek leave to make a short statement prior to asking a question of the Minister representing the Minister of Works.

Leave granted.

The Hon. Sir NORMAN JUDE: Some years ago my friends in the Government opposite gave considerable support to an amendment to the Act known as the Shearers Accommodation Act. I think all members of this Council, realizing that all people should work under the best possible conditions in their various jobs (allowing for the economic possibilities of that), supported that action. Following the completion of the new quarters for members of the House of Assembly, will the Minister of Labour and Industry take up with his colleague the question of improving the facilities for honourable members of this Chamber?

The Hon. A. F. KNEEBONE: The Shearers Accommodation Act comes under the control of the Minister of Labour and Industry. Some improvement has been made in recent times to the accommodation in this building, although perhaps not on this side of the building. I will discuss with my colleague the improvement of facilities in the remainder of the building, and will bring back a reply for the honourable member as soon as possible.

CONTAINER TRAFFIC

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

Leave granted.

The Hon. R. A. GEDDES: It has been reported in the press that various railway systems in Australia have assessed the rates being paid for the movement of oversea containers between capital cities and that these rates will be competitive with the rates charged by any other type of organization that can move this type of container traffic. Can the Minister of Transport say how much extra revenue would be received by the South Australian Railways if South Australia's major exportable products were in the future to travel to Melbourne by rail in containers?

The Hon. A. F. KNEEBONE: Offhand, I could not answer this question, which is a hypothetical one. The answer would depend on how much container traffic was undertaken and what price was charged, and also whether that traffic would go from Adelaide to Sydney on the standardized route, which will be in operation by then, or whether it would go to Victoria *via* Tailem Bend. These are all imponderables. I cannot answer the question at the moment. Much freight goes in container traffic at present, although that is not the same type of container as that envisaged by the honourable member.

ORDNANCE DEPOT

The Hon. C. D. ROWE: Has the Chief Secretary a reply to a question I asked on August 30 about an ordnance depot at Elizabeth and the housing requirements?

The Hon. A. J. SHARD: Yes. The honourable member's question was in three parts. In reply to part one of the question, at no time was the Premier given a figure as to the exact housing requirement which might arise out of the construction by the Commonwealth of an Army ordnance depot and training unit. Discussions in early 1965 between the General Manager of the Housing Trust and both the then Minister for the Army and the Officer-in-Charge, Central Command, caused the trust to plan housing requirements, as it had been stated that it was highly probable that the Commonwealth would use its land in the immediate future. However, in the original statement concerning the position of Smithfield, the trust did not say that the sole reason for building at Smithfield was to provide labour for a Commonwealth ordnance depot. It was also stated that "employment opportunities have not been as freely available in the area as was hoped. One company, Tyre Makers (S.A.) Ltd., purely for technological reasons, closed premises in South Australia, Western Australia and Queensland, and consolidated in one big plant in the Eastern States."

In answer to part two of the question, the Commonwealth Minister concerned was the Minister for the Army, as just stated. Also, the Minister for Health (Dr. Forbes) is reported in the *Advertiser* (October, 1966) as saying that he would discuss urgently with the Minister for the Army the proposed ordnance depot and new training unit. As regards part three of the question, probably it is in the nature of defence planning that precise details should not be available to the trust in any case but it is the trust's experience over many years with major Commonwealth works, and in particular defence works, that very little forward information is ever given in a precise form.

To show the difficulty of accepting even precise statements on defence planning, the trust would call attention to a statement made as long ago as 1959 by the Director of Field Works, Army Headquarters, Melbourne, and a member of the Planner's Staff, Department of Works, Mr. G. H. Bond, that a new Army establishment costing more than £1,000,000 and providing more than 60 buildings on a 250-acre site was to be built. This statement talked about an additional 100 homes, and buildings to accommodate 600 Army vehicles. This statement was contained in the *News*. On the following day in the *Advertiser* an Army spokesman is reported to have stated that a railway would be built from Elizabeth railway station to the proposed £1,000,000 base at Elizabeth North. It was such statements as this that led to the conclusion that when defence works were to increase so considerably it could reasonably be expected that among other demands for labour at Smithfield would be some demand from those likely to work on this 250-acre site, and, if the trust was not to fail to help to provide this, a start would need to be made well in advance of precise information; thus the decision to build at Smithfield was taken in early 1965 and the first plans of subdivision issued to builders in July, 1965. The Hon. Mr. DeGaris asked a similar question this week. If this reply does not answer his question and he will ask it again, I will see what information I can obtain, but I think this does answer his question.

ASSESSMENT OF DAMAGES

The Hon. R. C. DeGARIS: I ask leave to make a short statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. R. C. DeGARIS: On August 2, I asked a question of the Minister of Local Government, who on that day was representing the Attorney-General, concerning the number of declaratory judgments that had been made by the Supreme Court since the proclamation of the Supreme Court Act Amendment Bill, which was passed last session. Has the Chief Secretary a reply?

The Hon. A. J. SHARD: No, but I shall endeavour to obtain one.

LICENSING BILL

In Committee.

(Continued from September 13. Page 1888.)

Clause 85—Licensing of clubs."

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

To strike out subclause (1) with a view to inserting new subclauses (1), (2), (3), (4), (5) and (6).

The subclauses that I shall move to insert constitute a variation of a drafting nature; the previous substance of the clause will not be altered. The only significant variation is a consequential amendment to deal with the supply of liquor by the Returned Servicemen's League Club to its sub-branches.

Amendment carried.

The Hon. A. J. SHARD moved to insert the following new subclauses:

(1) Except in pursuance of a permit granted under section 66 of this Act, no liquor shall be sold or supplied by or on behalf of a club in the club premises or kept in or upon those premises unless the club has been duly licensed under this Act.

(2) A club licence shall not authorize the sale or supply of liquor otherwise than to a member of the club or to a visitor in the presence and at the expense of a member of the club.

(3) Except as provided by subsection (8) of this section, liquor shall not be sold or supplied by or on behalf of any club that was not registered under the repealed Act immediately before the commencement of this Act for consumption otherwise than in the licensed portion of the club premises nor shall it be carried away from that portion of the premises of any such club.

New subclauses inserted.

The Hon. A. J. SHARD moved to insert the following new subclause:

(4) Liquor shall not be carried away from the premises of any club, registered under the repealed Acts immediately before the commencement of this Act, in a container or containers of a capacity of more than one-half gallon.

The Hon. R. C. DeGARIS: In opposing the inclusion of the subclause, I refer to the Royal Commissioner's report concerning clubs and their activities. He stated in his report that all club licences should have similar or the same actual trading conditions, but since the Bill has been introduced in another place and in this Chamber variations have been made to his recommendation.

First, in another place the rights and privileges enjoyed by what is known as the exempted clubs were put back into the Bill. In other words, there are certain clubs which, under this legislation, will retain their existing privileges. Also, we have reintroduced into the Bill by this amendment the activities of the R.S.L. headquarters of selling liquor to sub-branches, in the metropolitan area in particular. Now we come to consider the operations of other clubs that have received certain rights under local option polls and which have been enjoying these rights in respect of the sale of liquor to their members.

As the original principle laid down in the Commissioner's report has been departed from, I see no reason why clubs that have enjoyed a certain right should now have that right removed. I can think of a number of cases of this kind, particularly the community clubs that exist in certain areas and which over a great number of years have enjoyed the privilege of selling liquor in any quantity to their members. Under this subclause the rights of these clubs are being restricted to containers of not more than one-half gallon. As I understand the amendment, if a member wanted to buy 10 gallons he could buy it in one-half gallon containers, but he could not buy a keg of beer. I oppose the inclusion of new subclause (4).

The Hon. A. J. SHARD: I hope the Committee will not agree with the Hon. Mr. DeGaris's comments. I have been told by the architects of the Bill that much thought has been given to this matter, and I do not think clubs should have the right to sell liquor in large quantities.

The Hon. R. C. DeGaris: They can sell in large quantities now.

The Hon. Sir Norman Jude: You can buy six dozen now.

The Hon. A. J. SHARD: I have been told that this is a very desirable amendment.

The Hon. C. R. STORY: I support what the Hon. Mr. DeGaris has said and I do not think the Chief Secretary has been given good advice on this matter, because it will not do anything to extend the provisions of the Act. This is a right that licensed clubs have had ever since being licensed. I cannot see that it will make the slightest difference to anybody if the subclause is struck out, although it will make a big difference to the members of registered clubs if it is retained in the Bill.

The Committee divided on new subclause (4):

Ayes (9)—The Hons. D. H. L. Banfield, S. C. Bevan, Jessie Cooper, C. M. Hill, A. F. Kneebone, Sir Arthur Rymill, A. J. Shard (teller), V. G. Springett, and A. M. Whyte.

Noes (9)—The Hons. M. B. Dawkins, R. C. DeGaris (teller), R. A. Geddes, G. J. Gilfillan, Sir Norman Jude, H. K. Kemp, F. J. Potter, C. D. Rowe, and C. R. Story.

The CHAIRMAN: There are nine Ayes and nine Noes. I give my casting vote in favour of the Ayes.

New subclause thus inserted.

The Hon. A. J. Shard moved to insert the following new subclauses:

(5) Liquor shall not be supplied or delivered to any person in pursuance of a club licence otherwise than upon the club premises.

(6) Subsections (2), (3), (4) and (5) of this section shall not apply to or in relation to the sale or supply of liquor—

(*a*) to a club under paragraph (*c*) of subsection (3) of section 66 of this Act by the holder of a club licence; or

(*b*) to a sub-branch of the Returned Sailors' Soldiers' and Airmen's Imperial League of Australia (South Australian Branch) Club by that club under paragraph (*d*) of subsection (3) of section 66 of this Act,

and for the purposes of paragraph (*e*) of subsection (1) of section 86 of this Act, and such sale or supply of liquor shall be deemed not to have been made to a member of the public.

New subclauses inserted; clause as amended passed.

Clause 86—"Conditions of licence."

The CHAIRMAN: The Chief Secretary has an amendment and the Hon. Mr. Hill has an amendment to subclause (1) (*e*). The Hon. Mr. Hill's amendment covers the Chief Secretary's amendment, so I propose to put only that part of the Hon. Mr. Hill's amendment up to where the other amendment comes in. I do this purely to protect the second amendment. What will happen is that the Committee will accept one or other of the amendments.

The Hon. A. J. Shard: I think that is the fairest way.

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

In subclause (1) (*e*) to strike out "Without limiting the generality of the foregoing no club shall be licensed or continue to be licensed where its activities include".

My intention in moving the amendment is to permit clubs that now cater to continue their activities. I direct the Committee's attention to clause 27, under which the court has particularly wide powers in the granting of licences. That clause provides that the court may grant a licence subject to such conditions as it of its own motion thinks fit, and I think that very wide power is sufficient to curb the granting of licences in respect of the future expansion of catering activities, and indeed the establishment of new catering activities. Therefore, I am relying on that safeguard.

I am attempting to permit clubs that now indulge in some catering to be able to continue their activities, and on this issue I am particularly concerned with some smaller clubs. Certain small clubs are at present carrying on some trade in catering. Admittedly, it is a revenue-producing operation, but some clubs that have established themselves in modern and proper premises need maximum revenue, and they use the revenue from these activities to pay debts owing on their buildings.

If those clubs are carrying on these relatively small activities now, I see no reason why they should not have the right to continue doing so. Possibly they gain revenue out of the leasing of the premises, and they certainly gain revenue from providing food. Also, they supply liquor and they want to go on supplying liquor for their catering activities. It will be unrealistic if any of these phases of their catering activity is either stopped or curbed, compared with the present practice of the liquor being on the premises.

In the knowledge that the licence can be granted restrictively to prevent expansion or new catering activity, it is proposed to try to allow the existing clubs to continue this practice. Further, the majority of this catering is not carried on altogether with outside interests. Principally, it is a member of the club who arranges the function. For example, a member of a club may want to celebrate his child's 21st birthday.

That is the sort of catering activity I have in mind. Club members benefit in this way. They have the facility in their club building and, as far as I know, especially in the case of small clubs, it is an economic arrangement; the costs are relatively low compared with those of holding that kind of function in a restaurant or hotel.

The Hon. A. J. SHARD: I oppose this amendment. I want to explain what my amendment would do. It is thought that clause 86 is far too wide. The proposed amendment will limit the prohibition to a

prohibition on trading in liquor. That is the difference between the two amendments. The architects of the Bill have realized that possibly this clause is too severe and have decided that clubs shall have the right to cater for food for the public, not being members of the club, but not for liquor. This goes a long way towards meeting the desires of many people. I ask the Committee to reject this amendment and let me move mine.

The Hon. R. C. DeGARIS: I see practically no difference between this amendment and the Chief Secretary's amendment. The only difference is that if this amendment is carried it means that the conditions of the club licence apply. Under its licence, it cannot trade with the public. If the Chief Secretary's amendment is carried it will mean that, if a club does supply liquor or cater for a function involving the supply of liquor, it shall not continue to be licensed. I do not think it matters very much whether the whole clause is deleted or whether we accept the Chief Secretary's amendment. It will not solve the Hon. Mr. Hill's problem, even if he succeeds in having this clause deleted. Under its licence, a club cannot supply liquor to other than its own members.

The CHAIRMAN: On examining these amendments further, to put things in order I can take a vote only down to the word "include". If the Committee wants the Hon. Mr. Hill's amendment it will vote in the affirmative. If it is defeated, that will then enable the Chief Secretary's amendment to be considered. That is as near as I can line it up with practice.

Amendment negatived.

The Hon. A. J. SHARD moved:

In subclause (1) (*e*) to strike out "catering for functions or" and "other"; and after "trading" to strike out "for or" and insert "in the sale or supply of liquor".

Amendments carried; clause as amended passed.

Clause 87—"Rules of club"—reconsidered.

Clause passed.

Clause 187—"Prices."

The Hon. R. C. DeGARIS: I move to strike out all words after "amended" and insert:

(*a*) by inserting after the word "maximum" in subsection (2) of section 43 thereof the passage "or minimum"; and

(*b*) by enacting and inserting therein after section 22e the following section:—

22f. (1) Without limiting any other power conferred on the Minister by this Act, the Minister may, subject to this section, by order fix and declare the minimum retail price of any type or kind of liquor within the meaning of the Licensing Act, 1967.

(2) The power conferred on the Minister by subsection (1) of this section shall include power to fix different minimum retail prices of the same type or kind of liquor according to the quantity, manner, conditions and locality in or under which the liquor is sold.

(3) Notwithstanding subsections (4) and (5) of this section and the fact that the minimum retail price of any type or kind of liquor has been fixed by the Minister under this section, it shall not be unlawful for the holder of a full publican's licence or the holder of a retail storekeeper's licence to sell liquor of that type or kind to any club whose licence is subject to the condition referred to in paragraph (*b*) of subsection (3) of section 27 of the Licensing Act, 1967, or to any club that is the holder of a permit granted under section 66 of that Act, nor for any such club to buy such liquor from the holder of a full publican's licence or a retail storekeeper's licence, at a discount the rate of which does not exceed the appropriate rate fixed under subsection (8) of this section by the association referred to in that subsection.

(4) A person shall not sell or supply or offer for sale or supply by retail any type or kind of liquor at a lower price than the minimum retail price of that type or kind fixed by the Minister under this section

(5) A person shall not buy or obtain by retail or offer to buy or obtain by retail from any person authorized under the Licensing Act, 1967, to sell by retail any type or kind of liquor at a lower price than the minimum retail price of that type or kind fixed by the Minister under this section.

(6) The Minister may on the application of any association that, in the opinion of the Minister, is fairly representative of the liquor industry, approve of that association for the purposes of this section.

(7) Notice of such approval shall be published in the *Gazette*.

(8) Any association so approved may, with the consent of the Minister, by notice published in the *Gazette*—

(*a*) fix the proposed minimum retail price of any type or kind of liquor according to the quantity, manner, conditions and locality in or under which the liquor is sold;
and

(*b*) fix the rate or rates at which discounts referred to in subsection (3) of this section may be granted for the purpose of that subsection.

(9) The Minister shall not fix the minimum retail price of any liquor under subsection (1) of this section

unless he is satisfied that any proposed minimum retail price fixed by an association under subsection (8) of this section is not being observed.

(10) Subsections (4) and (5) of this section do not apply to or in relation to—

(*a*) any sale or supply or any offer for sale or supply by the holder of a distiller's storekeeper's licence referred to in section 25 or a vigneron's licence referred to in section 26 of the Licensing Act, 1967, of any liquor authorized to be sold or disposed of by that licence;

or

(*b*) any purchase or obtaining of liquor, or any offer to buy or obtain any liquor from the holder of such a licence where the sale or disposal of such liquor is authorized by that licence.

The Royal Commissioner recommended that action be taken to prevent retail licensees from engaging in price cutting, because this activity operated to the detriment of the industry. Under the Prices Act, minimum prices are fixed for grapes, and this clause amends that Act. The clause is designed to meet the Commissioner's recommendations; however, it is not satisfactory because as it now stands it represents a re-draft of section 22 of the Prices Act, which deals with the fixing of minimum prices for grapes. My amendment overcomes the objection that honourable members may have to this clause because, in essence, it inserts a new section 22f in the Prices Act.

Subsection (1) of proposed new section 22f provides that the Minister may by order fix and declare the minimum retail price (I emphasize "retail") of any type or kind of liquor. Proposed new subsection (2) enables the Minister to fix different minimum retail prices of the same type or kind of liquor according to the quantity, manner, conditions and locality in or under which the liquor is sold. Regarding proposed new subsection (3), a permit holder or a licensed club, if required to purchase from a retail outlet, should be entitled to a discount on the retail price. As the Bill came from another place, it provided that these purchases had to be made from the holder of a full publican's licence or a retail storekeeper's licence "in the vicinity of the club". These words have been struck out, and the club can now deal with any retail outlet it chooses.

One of the reasons for the original introduction of the phrase "in the vicinity" was to prevent shopping around for the best price, but this Council has disagreed with this phrase. We should allow clubs freedom of choice, but some set discount should be available to the clubs that must purchase from a retail outlet. Although no set discount is mentioned in my amendment, I hope that it will be about 10 per cent, by arrangement.

Proposed new subsections (4) and (5) impose a restriction on retail selling below the fixed minimum retail price and also a restriction on the buyer. These can be regarded as the penalty clauses. Proposed new subsection (6) allows the Minister to approve an association that is fairly representative of the industry for the purposes of this subsection. I believe that this association should be the Liquor Industry Council. In this way regulation of the minimum retail price will be more effective than it would be through the Prices Commissioner.

Regarding proposed new subsection (8), if the Minister approves of an association it may with his consent, published in the *Government Gazette*, fix the minimum retail price of any type or kind of liquor and fix the rate of discount that shall be available to clubs required under this legislation to purchase their supplies from a retail outlet.

I was concerned about trying to reach a position of equality of liquor prices throughout South Australia. This matter causes much concern when a big disparity is observed between prices in the metropolitan area and prices in country areas, some of which are not far from the metropolitan area. It is difficult to find a logical argument for some of these disparities.

The Hon. S. C. Bevan: Why does the honourable member want to fix a minimum price, but not a maximum price?

The Hon. R. C. DeGARIS: There is already power in the Prices Act for maximum prices to be fixed; they can be brought under control at any time the Government wishes. We are now discussing the fixing of minimum retail prices to prevent the development of price cutting in the liquor industry, which is not in its best interests. Many country members are concerned with this matter and I have been approached by representatives of district councils anxious to promote the interests of their towns and further the principle of decentralization. People connected with the liquor trade believe that under this amendment, which empowers the Minister to exercise control, and with the assistance of the association improvement could be made towards equalizing prices throughout most of the State. This cannot be

achieved immediately, but with the goodwill of the Minister and the approval of the association it can be achieved. I believe that certain exemptions should be made when fixing minimum retail prices. Subclause (10) deals with this: it provides that sales at the cellar door will not be subject to minimum price control.

The Hon. A. J. SHARD: The architects of this Bill and Mr. DeGaris have discussed this matter and I understand that in principle at least the amendment is acceptable, although it may need further examination. I offer no objection to it.

The Hon. G. J. GILFILLAN: I oppose the amendment. I appreciate that its intention is to provide an acceptable alternative to this clause. I believe that fixing a minimum price would be contrary to the principle of private enterprise and competition. Although provision is made in the Prices Act for a minimum price for the grape industry, that is the only minimum price fixed by Statute, but it refers to a primary product and not to a retail article. The effect of the amendment will be to give statutory powers to an association representing the industry to fix minimum prices for its own product. Even though it would be under the ultimate control of the Minister, it is a new departure although a similar situation exists in the Australian Medical Association, which has power (although not a statutory power) to recommend a certain scale of charges.

The Bill gives real advantages to the liquor industry and it should not be necessary to fix a minimum price for its products. I believe most honourable members have been contacted by representatives of the liquor industry and of organizations that oppose some clauses of the Bill, but the voice of the man in the street who will be most affected by the Bill has not been heard. Therefore, I speak on his behalf when discussing the fixing of minimum prices. I believe everybody should be permitted to buy in open competition within the limitations of the legislation, which has been developed mainly to protect people from the evils that may occur. In addition, the health of the community should be considered. I oppose both the amendment and the original clause.

The Hon. A. J. SHARD: In order to meet requests made by some honourable members and the convenience of one honourable member in particular, I move:

That consideration of this clause be postponed until after consideration of clause 211.

Motion carried.

Remaining clauses (188 to 211) passed.

Progress reported; Committee to sit again.

Later:

Clause 187—"Prices"—reconsidered.

The Hon. C. R. STORY: With one or two reservations I support the principle of the Hon. Mr. DeGaris's amendment. The clause as it stands at present is, to some degree, objectionable to some honourable members. The compromise worked out on this matter appears to have the support of the industry and will, I believe, have the general support of this Committee. The Hon. Mr. Gilfillan raised the matter of minimum prices, about which he is not happy. I am not a great lover of price control but the position became so chaotic in the wine grapegrowing industry that the Government appointed a Royal Commission (comprising the Auditor-General, Mr. D. T. DuRieu, O.B.E., and Mr. T. C. Miller, Chief Horticulturist) to investigate it. That Royal Commission reported upon all phases of the grapegrowing industry and certain phases of the wine industry and one of its conclusions was that there was an absolute necessity for some control over liquor prices.

In the past the grapegrowing industry had to rely entirely on the principle of supply and demand, but it was not faring very well on that basis. Varying prices were offered by different winemakers. From time to time surpluses were created by slight changes in the drinking habits of the Australian public and we found ourselves always at the wrong end of the liquor industry. At various times I have known a rise, at hotel level, of 5c a bottle, and not 1c of it reached the producer of the raw materials; it was absorbed on the way through.

We have reached some state of stability in the grapegrowing industry since the Prices Commissioner was given power to fix minimum prices to the wine industry, but this is only half way because the winemaker is now obliged to pay the full amount set by the Prices Commissioner if he desires to buy grapes. Now the scene has, to some degree, shifted from the grapegrower to the winemaker, who may find himself the meat in the sandwich because he will be the one who is unprotected. I am particularly interested in the smaller winemakers who will, by this amendment if carried, get a vigneron's licence. They will not be distillers; they are genuine winemakers. Their type of trade is mainly with the public, wine shops and hotels.

If the position is not controlled in some way, many of these people may be forced out of business by a price-cutting war, which is something that no industry can afford to have. This is not just an ordinary matter of supply and demand: this is a matter of a price war and power politics within an industry. As a primary producer in the horticultural sector, I have lived on the receiving end of this business for most of my life. I have watched the power struggle amongst the canneries and it was only when we managed to get them to see reason that we achieved some stability in that industry, and it now has to face great competition, which will increase, on oversea markets. This competition is all the more serious in view of the fact that we have lost our preference in the United Kingdom market. If the liquor industry can get itself organized it, too, can assist the producer and everyone else connected with it.

This measure empowers the Minister to fix minimum retail prices and it makes it an offence for non-compliance with his ruling; there is nothing very wicked about this. Secondly, it enables a price schedule to be laid down by a body that is to be known as an association. The Liquor Industry Council will become the advisory association to the Minister, and I do not object to this. The advantage is that clubs that do not come under the provisions whereby they can buy at wholesale prices will be entitled to a discount. This removes some of these clubs' objections; they have been stringently tied down in order to protect existing people in the liquor industry. I believe that the provision of a discount is a fair thing.

Regarding the exceptions provided by the amendment of the Hon. Mr. DeGaris, the holders of distiller's storekeeper's licences and vignerons' licences are to be exempted from the provisions regarding this association. The whole industry can come under price control at any time under legislation already enacted. What we are doing now is empowering the Minister to fix minimum prices. I see no objection to the association saying that red wine shall be sold at not less than 50c a gallon. Anybody who has a better class of wine will have the opportunity of benefiting because we are not fixing the maximum price. This will give flexibility, and the industry will have a set of minimum prices. I do not think we can do much better than this.

The Hon. S. C. Bevan: Doesn't the honourable member think that exorbitant charges can be made on a retail basis?

The Hon. C. R. STORY: The charges referred to by the Minister can be corrected whenever he likes to issue an order to bring the industry under price control. It was once under price control but it was released, provided it played the game. If it does not play the game in the future, and sufficient people are of this opinion, a complaint can be lodged with the Prices Commissioner; the power exists for maximum prices to be controlled. I am supporting this amendment in order that it may be included in the Bill. However, I reserve the right to ask for a recommittal in order to make one small amendment.

Amendment carried; clause as amended passed.

Schedule.

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

After "Licensing Act Amendment Act, 1954." to insert "So much of the Statute Law Revision Act, 1957, as relates to the Licensing Act 1932-1936."; and after "Licensing Act Amendment Act, 1964." to insert "So much of the Statute Law Revision Act, 1965, as relates to the Licensing Act, 1932-1964."

I should like to take this opportunity to thank honourable members again for their attention to and consideration of this measure; it has not been easy. I want to pay a compliment and express my personal thanks to Mr. Hackett-Jones, the Parliamentary Draftsman; he stepped into a breach at short notice and it has been a pleasure to work with him. He is very capable and has done an excellent job not only for me but for all honourable members. I think it is only fair for us to express our appreciation of his great efforts this week; it has not been an easy task for him, and he has worked very hard. I express sincere thanks to him not only on my own behalf but on behalf of all honourable members.

Amendments carried; schedule as amended passed.

Title passed.

Bill reported with amendments.

Bill recommitted.

Clause 19—"Publican's licence"—reconsidered.

The Hon. Sir ARTHUR RYMILL: I move:

That my previous amendments to this clause be cancelled.

When this Bill was previously before the Committee I moved a small series of amendments that I submitted were logical. Honourable members may agree that my suggested amendments were logical, but logicians know that there are sometimes fallacies in the logical

form. My attention has been drawn to certain practical considerations that exist in relation to this clause. It appears that my amendments may be slightly premature, and that they might cause more difficulties and embarrassment than advantages, although I have no doubt that the amendments will ultimately become part of the licensing laws of this State. However, at what stage that is likely to occur I cannot predict, but in view of the difficulties involved I am taking this action.

Motion carried.

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

That this Bill be reprinted.

I think all honourable members realize that some clauses should be further examined. I believe the work of the Committee will be made easier if the Bill is reprinted.

Motion carried.

INSTITUTE OF TECHNOLOGY ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 30. Page 1698.)

The Hon. JESSIE COOPER (Central No. 2): I have pleasure in supporting the Bill, which increases the membership of the Council of the Institute of Technology from 15 to 19. Of those four new members, one is to be the Director of the institute *ex officio*, who will not retire, two are to be academic members nominated by all members of the academic staff and appointed by the Governor, and one is to be an officer of the Education Department nominated by the Minister and appointed by the Governor.

The problems of an institute of this type are mainly those associated with constantly changing demands or with constantly changing emphasis on various requirements of the scientific community. These changes are brought about not only by new developments in industry but also by new developments in the field of scientific research. In order to be in the forefront of technological development and teaching, the form of such an institute's activities must be an ever-changing one. This constantly poses the questions of priorities and compromises in the use of funds and facilities available. Probably in no other council is the demand for assessment on a more technical basis, and probably no other educational council requires so intimately the use of trained scientific minds.

For this reason the council of the institute must, in order to be most effective, bring about in its planning and guidance the maximum co-operation of those people who are most closely associated with advances in science and technology—in other words, of the senior members of its own staff. We are very fortunate in South Australia in having an Institute of Technology that has a staff which contains many senior members who are not only dedicated to the advancement of the institute and its work but who are outstanding in their own fields, both teaching and research. This Bill will, therefore, by adding two members of the institute's staff to the council, give it an extra opportunity to keep the institute in the forefront of its spheres of work in South Australia. Therefore, I support the Bill.

Bill read a second time and taken through Committee without amendment; Committee's report adopted.

LAND TAX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 31. Page 1750.)

The Hon. R. C. DeGARIS (Leader of the Opposition): The Bill amends the Land Tax Act by introducing into that Act alterations to the definition of "unimproved value" made necessary by the passing of the Real Property Act Amendment (Strata Titles) Bill. In the Land Tax Act "unimproved value" means the capital amount for which the fee simple of that land might be expected to sell, assuming the actual improvements, if any, existing on the land had not been made. Under the recent amendment to the Real Property Act the concept of strata titles was made, and this depends on the existence of an improvement. Without some alteration to the definition of "unimproved value" in the Land Tax Act it would not be possible to assess for land tax purposes a unit in a deposited strata plan.

I should like to comment on one or two matters in the Bill. As far as I can see, the amendment means that the proportion of improved value will be the proportion used for the unimproved value for land tax purposes, and this appears to be the most equitable way to apportion the assessment.

There are other ways in which this could be done. We could have the assessment on a unit basis, with each unit, whether it was on the top floor or the bottom floor, having the same assessment. However, in considering all these matters I think that what is proposed is possibly the fairest way to do it. It appears that it is the assessment and not the tax that is proportional to each unit. The assessment is not

made on the unimproved value of the land concerned and then the tax apportioned: the actual assessment is apportioned to each unit. I understand that to be the position.

While I just raise these two points as a matter of interest, I believe that the apportionment of unimproved value for land tax purposes in this method is possibly the most equitable way in which to do it. Therefore, I support the Bill.

The Hon. C. M. HILL (Central No. 2): I also support the Bill. As the Hon. Mr. DeGaris has said, it is part of the general strata titles programme that has been introduced by the Government. It was said at the time of the passing of that legislation, which was an amendment to the Real Property Act, that further amendments were necessary to both the Land Tax Act and the Planning and Development Act, and this is the first of these two consequential and necessary amendments.

However, I take up further the first point made by the Hon. Mr. DeGaris and mention that in the future experience might prove that the Government's approach to this matter is not the better of the two approaches which I am sure were considered by the Government. The Government has followed a uniform approach consequent on the passing of the strata titles legislation, because in that legislation the matter of unit entitlement was considered and we saw for the first time in unit ownership here the principle of unequal values of units in a particular block being used as a basis to assess a particular owner's responsibilities to pay for garden management and other outgoings.

In other words, the person with the most expensive unit is to pay the greatest proportion of the share of costs of garden maintenance and outgoings of that kind. Now in this measure, when we come to splitting up the land tax assessment on the unimproved site, each unit owner will receive a separate account for land tax, each account in proportion to the value of the respective unit.

This means that instead of each unit owner in a block receiving an account of equal amount to that of every other unit holder for land tax, under this Bill that unit holder will receive a land tax assessment that will vary from that of his neighbour. To put it another way, the person with the most expensive home unit will pay more land tax than the owner of the cheapest unit in the block. The alternative would have been simply to split the one total amount into several equal accounts.

The Hon. S. C. Bevan: It was unfair to some people under the previous arrangement.

The Hon. C. M. HILL: Yes, in some respects it may have been. However, one result of this will be that a number of home unit blocks which I think the Government was hoping would change over to the strata titles scheme simply will not be changing over. Whereas these people are now paying equal amounts of land tax because they are simply sharing equally the one account, under the strata titles scheme every unit holder must agree to change over to that scheme and the person with the most expensive unit will not be agreeable because he will be paying more land tax than he previously paid.

Therefore, whilst it is true to say that at present it is perhaps unfair to the owner of the cheapest unit, it might mean that the owner of the cheapest unit will not be able to take advantage of any benefits that might accrue under a strata title scheme because the block will not change over from its present form of ownership. From that point of view, it is not going to assist the changeover from the present forms of ownership to the strata titles scheme.

I submit that many people are concerned about this matter and are questioning the principle adopted by the Government in this Bill. The further one looks into the matter the more one sees that there is not much between the respective approaches. I support the Bill because it is uniform in practice with the principles that were included in the strata titles legislation.

However, it might well mean that in the future representations will be made for a change back to a system under which the land tax would be shared equally. The land tax basically is only on unimproved land, for the whole assessment is on the unimproved land principle. No matter where a person places his improvements on the land, and no matter to what extent those improvements exist, the land tax remains the same.

I appreciate that the accounts for water, sewer, and municipal rates vary with the improvements because they are assessed on improved values, and I agree that under the strata titles legislation the holder of the most valuable unit will pay higher rates for improved assessments, such as those I mentioned.

It is very questionable whether the owner of the most valuable unit in a block should pay more land tax than the owner of another unit.

The strata titles legislation was intended principally for the very large development which we hope will come in the future, not only in the residential field but also in the commercial field.

With a 14-storey commercial building being constructed, with each storey being split into a unit and sold to a commercial enterprise as its principal place of business, there would be 14 different assessments for land tax. Each one of those people, whether he owns the unit on the ground floor or the unit on the top floor, has equal use of the unimproved land. He has not equal use of his improvement, because of course the value of the unit on the ground floor is much greater than that of the unit on the top floor, but the occupiers have equal use of the land. That indicates how people are arguing at the moment—that the Government's approach on this matter is questionable. It means, of course, that the Government is using a formula based on improved values (the unit entitlement formula) to apportion the unimproved value assessment, and that alone gives rise to questioning the principle of this approach.

However, I am prepared to support the Bill. I hope experience will prove it acceptable to those people who have units now and may be contemplating changing over to the strata title system. and to developers whom we want to see building blocks of home or commercial units. In fact, building of any kind is to be encouraged and, the more building in South Australia now, the better for all concerned.

I hope these developers and the purchasers of units accept this principle. If the future public reaction is such that the alternative approach is deemed to be fairer, I shall then support a change.

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

ADJOURNMENT

At 4.15 p.m. the Council adjourned until Tuesday, September 19, at 2.15 p.m.