

LEGISLATIVE COUNCIL

Tuesday, October 8, 1968

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

QUESTIONS

ABORIGINES

The Hon. A. M. **WHYTE**: I ask leave to make a short statement prior to asking a question of the Minister of Local Government representing the Minister of Aboriginal Affairs.

Leave granted.

The Hon. A. M. **WHYTE**: In yesterday's *Advertiser* the Commonwealth Minister-in-Charge of Aboriginal Affairs (Mr. Wentworth) was reported as saying:

Representative groups of aborigines should have the right to decide for themselves on each settlement or mission whether they wanted liquor to be allowed. Mr. Wentworth said he believed that this would result in liquor being banned from almost all of them.

Aborigines should also be responsible for policing their own decisions in their own area. Aborigines resented the fact that the police who arrested them and magistrates who tried them for small offences usually were white, he said.

He suggested aborigines from the same tribes should be appointed as special or regular constables and aboriginal magistrates should be given at least limited authority to control behaviour in settlements and missions. Some of their tribal laws should be retained because proper use of them might well provide the best hope of real advance for some aborigines.

The Commonwealth Minister has closely echoed my own thoughts on this matter. Consequently, will the Minister of Local Government ascertain whether his colleague supports this view and, if he does, what will be done to implement such a process in South Australia, since he has been given the green light by the Commonwealth Minister?

The Hon. C. M. **HILL**: I will take the matter up with the Minister of Aboriginal Affairs.

MOUNT GAMBIER BUS SERVICE

The Hon. V. G. **SPRINGETT**: On September 17 I asked the Minister of Roads and Transport a question regarding a Mount Gambier bus service at weekends. Has he a reply?

The Hon. C. M. **HILL**: McCormick's Motor Services Pty. Ltd. applied to the Transport Control Board last May for a licence to operate a road passenger service from Mount

Gambier to Adelaide on Fridays at 5.30 p.m. and a return service leaving Adelaide at 4.30 p.m. on Sundays.

A rail passenger service providing both sit-up and sleeper accommodation leaves Mount Gambier on Fridays at 9 p.m., arriving in Adelaide at 7.30 a.m. on Saturdays. An identical return rail service leaves Adelaide for Mount Gambier at 8.50 p.m. on Sundays. Co-ordinated bus services from Millicent link with this service at Kalangadoo.

A licensed operator runs a road service from Adelaide to Mount Gambier on Fridays departing at 5.45 p.m., and a return service from Mount Gambier on Sundays departing at 12 noon.

Mount Gambier, Millicent, and the surrounding areas are thus served with adequate week-end services. It has been mentioned that the service requested by McCormick's Motor Services Pty. Ltd. would assist tourism, I presume in the South-East. I would have thought the aim in this respect would be to get people to the South-East and not away from it. Tourist trips to the South-East can be adequately catered for by the current licensed road operator's time table.

Passenger services—both road and rail—are not highly patronized in country areas. If services beyond those now existing are permitted, the overall services to country areas—in this case Mount Gambier—will become uneconomic on the present time tables. This would lead to reductions in services and subsequent complaints from those who now seek this additional service.

For these reasons the decision not to grant a licence to McCormick's Motor Services Pty. Ltd. is well founded.

ROSEWORTHY RAILWAY CROSSING

The Hon. M. B. **DAWKINS**: Following another serious accident at the Roseworthy railway crossing, I asked the Minister of Roads and Transport a further question on August 28 with reference to that crossing. Has the Minister a reply?

The Hon. C. M. **HILL**: The Roseworthy crossing on the Main North Road has been reviewed by the interdepartmental committee on railway crossing protection.

The existing traffic conditions are such that this crossing would justify the installation of flashing lights during next financial year. This is, of course, subject to the availability of Highways Department funds to finance the work and to the availability of Railways manpower to physically perform the work.

From a Highways Department viewpoint, this portion of the Main North Road is part of a national route and carries relatively high traffic volumes (1,200 vehicles a day) at relatively high speed. These vehicles are required to cross the railway line on down grade approaches where they could encounter trains operating at relatively high speed.

In these circumstances, the committee is prepared to give this crossing high priority for installation of flashing lights when preparing the programme for the financial year 1969-70.

CROWN LAND

The Hon. C. D. ROWE: On August 28 I asked the Minister of Agriculture, representing the Minister of Lands, the following question:

Can the Minister of Agriculture, representing the Minister of Lands, say when replies will be received by people who have applied to have some of their Crown leasehold land converted to freehold?

The Minister replied:

I know that my colleague has been considering this matter and it is expected that very soon he will be able to make decisions on quite a number of applications.

So far as I am aware, no such decisions have been made. Will the Minister of Agriculture again take this matter up with his colleague to see whether early decisions can be made?

The Hon. C. R. STORY: Yes.

DRAINAGE FEES

The Hon. V. G. SPRINGETT: Has the Minister of Agriculture a reply to my recent question regarding the increase in drainage fees in the South-East?

The Hon. C. R. STORY: The Minister of Lands reports that the increase has been caused by increased costs of maintenance and the need to provide for depreciation of structures. Section 48 of the Act provides that the board shall declare and levy an annual rate sufficient to pay:

- (a) the cost of cleansing and repairing the drains and drainage works and maintaining them in a proper state of efficiency;
- (b) the other expenses connected with the care, control, and management of the drains and drainage works.

The maintenance rate has been increased from 3.75 per cent to 5 per cent. This increase has been made necessary to comply with the South-Eastern Drainage Act.

NORTHERN ROADS

The Hon. A. M. WHYTE: Has the Minister of Roads and Transport a reply to my recent question regarding the priority of bitumen roads in the northern part of the State?

The Hon. C. M. HILL: The construction of a sealed road from Hawker to Wilpena (33 miles) was decided upon because of requests from the Director of the Tourist Bureau, and others. In brief, the objective was that an acceptable road facility be provided to this national tourist reserve as soon as possible, the cost of the 33 miles being estimated at \$1,000,000.

Whilst some consideration was given to linking Wilpena to Hawker via Parachilna and Blinman, it was obvious that this scheme would not be feasible having regard to the excessive distance and cost. The distance by this route would be 113 miles, including 20 miles of very costly construction through the Parachilna Gorge. No precise estimate has been made but the cost would be in the vicinity of \$4,500,000.

The sealing of the section between Hawker and Parachilna will be treated in due course as part of a proposal to provide a sealed road to Leigh Creek and Marree. However, there is little likelihood of any sealing works being undertaken along this route within the near future.

PETROLEUM ACT AMENDMENT BILL

The Hon. R. C. DeGARIS (Minister of Mines) obtained leave and introduced a Bill for an Act to amend the Petroleum Act, 1940-1967. Read a first time.

VETERINARY SURGEONS ACT AMENDMENT BILL

The Hon. C. R. STORY (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Veterinary Surgeons Act, 1935-1965. Read a first time.

APPROPRIATION BILL (No. 2)

Adjourned debate on second reading.

(Continued from October 3. Page 1659.)

The Hon. A. J. SHARD (Leader of the Opposition): When on September 17 I rose to speak to the Public Purposes Loan Bill, I said I supported the Bill "although not with a great deal of enthusiasm". Let me preface my remarks on this Bill by saying that I do not rise with any enthusiasm at all for the Budget,

because it is the most drastic Budget brought down to the South Australian Parliament for many years. In fact, I am sure the Government will not be feeling too happy with it now, in view of events that have happened over the last few weeks, and particularly last week. The Government said it intended to budget for a nominal surplus of \$21,000, but that has long since gone down the drain. I well remember that, when the Labor Government was in office, it was told by almost every member of this Council that it should have had at the back of its mind the fact that salary and wage increases would have to be taken into account and that it should have been an economic genius in foreseeing those increases and catering for them.

I do not know what we can say for this Government but, at a rough estimate, I would say that the expected surplus of \$21,000 had disappeared almost before the financial year was a day old. As things have turned out, it looks as though there will be a minimum deficit of \$2,000,000, and possibly it will amount to \$3,000,000. In dealing with the Government's admirable idea of budgeting for a meagre surplus of \$21,000, I want to confine myself this afternoon to talking about how the Government was prepared to do that. I shall quote from the Chief Secretary's second reading explanation of how the Government proposed to achieve its aim. He said, among other things:

When framing its financial proposals for 1968-69 the Government regarded a balanced Revenue Budget as its minimum immediate objective.

It has not achieved that. The Chief Secretary continued:

Having assessed the necessary expenditure requirements of the whole range of Government functions and examined them to secure all reasonable economy, and having provided for those standards of social services that the community might properly expect, the Government was faced with a gap of about \$3,800,000 between anticipated revenues at current rates and anticipated expenditures at current wage and salary levels. However, in making proposals to close this gap it was necessary to bear in mind also that the expansion in expenditure requirements in 1969-70 would open a further gap. The Government, therefore, proposes the following measures, which are estimated to bring in about \$3,820,000 this year and about \$8,300,000 in a full year.

So the people of this State are going to pay taxes to the extent shown in the figures given by the Chief Secretary (and I use those figures and accept them as being correct, because it is not for me to doubt them). The extra taxes

to be raised in this year arising from this Budget and from Bills to be introduced subsequently are expected jointly to produce an amount of \$3,820,000. The same imposts in 1969-70 are expected to produce the sum of \$8,300,000. It is the method proposed to raise that additional money on which I wish to speak today. I, with most other people, realize that Governments have to find money, but I think it can be taken for granted that most Governments try to spread the burden on all people to an equal extent, and according to their ability to pay.

The Hon. R. C. DeGaris: Hear, hear!

The Hon. A. J. SHARD: But when we look at the proposals this year we find that no such attempt has been made, because they are set out in a seven-prong attack upon the people of the State in an endeavour to raise extra money. In the main, such money is to be raised by each person contributing about an equal amount, irrespective of ability to pay. That, I think, is the greatest thing wrong with this Budget, and I want to reiterate some of the points raised in it, though not all of them. The first item is:

A receipts duty of 1c in each \$10, upon the pattern of the measure recently implemented in Victoria but not extending to wages and salaries. It is anticipated this will raise about \$4,800,000 in a full year and \$1,600,000 this financial year.

I have read in certain documents and in the press that the Treasurer says this method of raising money will have no effect upon the people of this State. Let me say quite frankly I have not heard such eye-wash in all my life! I have yet to see any business person prepared to carry an impost of this nature and not pass it on. Irrespective of the smallness of the amount at the moment, it will not be 1c in \$10 that is passed on to the public on some items but it will be 1c added on a number of occasions on which the public will have to pay.

I venture to say there will be some business people who will show a profit on this, because I have lived for a long time now, and I have never known anybody to reduce his profit in business by paying something to a Government without passing on that cost. Let me say that while it is appreciated at the moment that this particular tax is not going to be paid by salary and wage earners, I fear that that may happen in the future. This is a brand new type of tax that has been introduced in Australia in the last few years, but this is its first appearance in South Australia. I fear that,

after a few years have gone by, the tax will not be 1c in \$10 but possibly 2c, 3c, 4c, 5c or more in \$10. Most taxes that are said to be introduced as temporary measures are later increased to bring in more revenue, and I believe this tax, too, will be increased. South Australians will bear this tax irrespective, to some extent, of their ability to do so.

The next additional taxation measure in the Budget is a stamp duty of \$2 upon certificates of compulsory third party motor vehicle insurance designed to assist in public hospital operation, as fees payable in public hospitals for road accident cases cover only a portion of total hospital costs. It is anticipated that this will raise \$840,000 in a full year and \$500,000 in this financial year. I agree that hospitals throughout the State should receive their just fees from road accident patients, but I quarrel with the imposition of a straightout tax on every person without any regard to his ability to pay. There are a number of aged pensioners who, as a result of their thrifty habits (for which they must be given credit), have saved up and bought a motor car. Such pensioners must pay the stamp duty of \$2 on their certificates of compulsory third party motor vehicle insurance just as a low-wage earner does. We can carry this argument further to the medium-wage earner, then to the higher-wage earner and then to the people who can really afford to pay the stamp duty. This form of taxation is unfair, so I do not agree with the Government's method of balancing the Budget.

Another taxation measure is an increase in the fee for liquor licences from 5 per cent to 6 per cent, which is the rate applicable in other States. This will raise about \$500,000 further revenue in a full year and \$250,000 in this financial year. Here again, everyone pays the same amount, irrespective of his ability to pay. If a person does not want to pay this tax he must not drink intoxicating liquor.

The Hon. R. C. DeGaris: He can brew his own.

The Hon. A. J. SHARD: If he does that he may pay much more if he is caught. I once indulged in a little home brewing. It was very nice, but I do not want to go back to those days. If a person has to deny himself one of the joys of life just to dodge a tax, life is hardly worth living. I do not smoke, so I do not pay tax on tobacco. It would not be right for me to say that someone who does smoke should pay a tax on tobacco. Similarly,

it would not be right for someone who does not drink intoxicating liquor to say that someone who does so should pay a tax on that liquor. The Labor Government tried to spread the taxes as equitably as possible, but the present Government has not attempted to do so.

The Hon. S. C. Bevan: It is a wonder the present Government does not introduce an amusement tax.

The Hon. A. J. SHARD: Another unfair tax on a section of the community—and the only form of amusement tax in the State—is the winning bets tax. I have always thought that this tax is unjust. I myself do not pay enough of it: if I paid more of it I would have more in my pocket.

The Hon. Sir Norman Jude: What about land tax?

The Hon. A. J. SHARD: In the case of land tax, the more land one has, the more tax he pays. I hope to see the day when the winning bets tax is abolished and when the whole community is free from amusement tax. The next taxation measure to which I want to refer is the increase in public hospital charges in line with charges elsewhere, which, together with proposed charges in appropriate cases in mental hospitals, may increase revenue by \$600,000 in a full year and \$350,000 in this year. I was hopeful, when the South Australian Lotteries Commission was established, that we would not be forced to increase public hospital charges. The people of this State have always been told that the cost of living is lower here, and that our charges and wages are lower than those of other States. This statement cannot be made in connection with the hospital charges referred to in the second reading explanation.

There is only one other State that is planning to increase its hospital charges at this time: I understand that hospital charges in New South Wales are to be increased from November 1, which is about the time when our hospital charges will be increased. In New South Wales public hospitals the charge in a public ward is \$10 a day, which is equal to the South Australian charge; in New South Wales the charge in an intermediate ward and in a share room is \$13.50 a day, which is equal to the South Australian charge; in New South Wales the charge in a private room is \$16.20 a day, whilst in South Australia it is \$17 a day. I believe—and I am speaking from memory—that South Australian rates will be equal to the highest in Australia.

The Hon. R. C. DeGaris: No. I think that in New South Wales there are two fees for private rooms: one is \$16.20 and there is another one.

The Hon. A. J. SHARD: Generally speaking, our rates would compare with Victoria's and Western Australia's rates.

The Hon. R. C. DeGaris: They are lower.

The Hon. A. J. SHARD: That makes it a little better for the Chief Secretary. I must point out that I am speaking about a wage earner. Anyone who is not able to afford the charges and who has not a cover through a hospital benefits fund is a fool.

The Hon. R. C. DeGaris: You are talking about someone who cannot pay?

The Hon. A. J. SHARD: Yes; he is the type of person about whom I want to speak. People in this State are being asked to pay hospital charges as high as those in other States where wages are higher. When comparing this State with New South Wales, it is obvious that the South Australian Government is being extreme in the taxation measures that will flow from this Budget.

As a result of the recent increase, the minimum wage in New South Wales will be \$39.60 and in South Australia it will be only \$38.40. This is a difference of \$1.20, and although it may not sound much it becomes about \$63 over a year, which is a great deal of money to ordinary families, who always find difficulty in meeting hospital charges. This is my complaint about the Budget generally and about hospital charges particularly. I think we have gone too far in these charges.

The question of medical and hospital benefits concerns me greatly. I am perturbed at the trend of increases generally in hospital charges, in doctors' charges, and in hospital benefits contributions. I have heard it said in this Council that the periodic increase in the basic wage is like a dog chasing its tail.

The Hon. S. C. Bevan: It never catches it.

The Hon. A. J. SHARD: Admittedly, we have a better standard of living than we had some years ago. However, there must be a ceiling both to hospital charges and to benefits, and if these things have not exceeded that ceiling I think they have at least reached it. No matter whether people pay the top rate, the middle rate or the lower rate of contributions, they find that immediately hospital charges or doctors' charges are increased the benefit societies increase the rate of contributions.

I have had personal experience of this matter. So it goes on, and immediately the benefit societies increase the benefits the hospitals, without blinking an eyelid, put up their charges. I am very worried at this trend. Incidentally, I consider that under this system the doctors have never been better off in their lives. I maintain that unless someone takes a strong hand on this question of charges and the benefits themselves, this scheme will die under its own weight.

The Hon. C. D. Rowe: These increases flow from your arbitration awards.

The Hon. A. J. SHARD: I do not care where they flow from: I say that, unless some curb is put on hospital charges and benefits, the average person in the community will not be able to sustain the scheme.

The Hon. D. H. L. Banfield: Doctors don't go to arbitration, do they?

The Hon. R. C. DeGaris: How much did hospital charges rise in the last three years?

The Hon. A. J. SHARD: If I remember rightly, there was one increase, possibly two, during the Labor Government's term of office.

The Hon. R. C. DeGaris: A total of about \$3.50, or \$5 for private beds in public wards.

The Hon. A. J. SHARD: I am not worried about private beds, for in my opinion those who occupy them are the shrewd people and the ones in the best position to pay. They are invariably in two benefit schemes, and they are people who know their way about. I am talking not about private rooms in public hospitals but about public and intermediate wards. One would not find too many average wage-earners in private rooms today.

The Hon. S. C. Bevan: You would be lucky to find any.

The Hon. A. J. SHARD: That is so. I would not care if the \$17 for this category was increased to \$20.

The Hon. Sir Norman Jude: Would you have them empty?

The Hon. A. J. SHARD: No, we would have more public wards. I think the people in private rooms are being catered for more than adequately.

The Hon. S. C. Bevan: The answer to this is quite easy: change the Government.

The Hon. A. J. SHARD: I hope the Commonwealth Government Senate Select Committee on this matter will find a solution. Although I have not exactly wasted my money, if I live a long time after I retire from this place I will not be able to afford adequate cover on the income I will be getting, and I

would not be an orphan amongst members of Parliament in this regard. My wife and I recently discussed how we could make provision for adequate cover, but if subscriptions keep rising we will not be able to afford to do it.

The Hon. C. D. Rowe: Do you think something should be done with regard to the limitation of 13 weeks in a year for which one can get benefit?

The Hon. A. J. SHARD: I think that when a person becomes sick after he has paid into a benefit fund for many years, the fund should look after him.

The Hon. C. D. Rowe: This is a real problem for people who become chronically ill.

The Hon. D. H. L. Banfield: They are cut out after 13 weeks.

The Hon. R. C. DeGaris: I think there was something in the Commonwealth Budget this year about that.

The Hon. A. J. SHARD: Regarding the effect of this Budget, we must also look at what this present Government has done since coming to office in releasing articles from price control. This hits every person in the community, because no matter what a person's income is he has to pay the same for an article as anyone else.

The Hon. L. R. Hart: One vote one value!

The Hon. A. J. SHARD: If the Government wants one vote one value, that is all right. However, if it had told the people during the election campaign that it intended to raise taxes in this way, it would not be occupying the Treasury benches today.

The Hon. D. H. L. Banfield: They didn't get a majority vote.

The Hon. A. J. SHARD: No, and they are never likely to do so. I have a list of all sorts of items that this Government has decontrolled. In its policy speech prior to the election the Liberal and Country League said that it would rebuild confidence in the State and get it moving again, yet it has since introduced a Budget that has meant a seven-pronged attack on the community. This it has done to enable it to obtain an extra \$8,000,000 in taxation (which, I am told, is a 20 per cent increase to the taxpayer in one year). One does not have to be very good at arithmetic to work out that if the Government is to raise that sum in one year everyone will have to pay an extra \$8.

The Hon. Sir Norman Jude: They have to pay for your extravagance over the last three years.

The Hon. A. J. SHARD: Don't give me that! When we were in office we were told by members opposite (and the honourable member was one of the most forceful) that we were not doing enough. We were asked in this Chamber (and the honourable member joined in) why we did not do this, that, or something else. However, we had to keep our activities to a minimum. We were also accused of increasing taxation, but the Labor Party did not increase taxation as much during its three years in office as this Government has done in one year.

The Hon. Sir Norman Jude: It tried to.

The Hon. A. J. SHARD: The Labor Party did not try to raise taxation overall, although it tried to do so in certain directions. The honourable member represents certain people (not a vast majority) and he saw to it that the interests of the people he represents were protected to the limit of his ability. In his explanation of this Bill the Chief Secretary said:

The foregoing revenue measures— that is, the seven-prong measures— would, it is estimated, produce a nominal surplus of \$21,000 in 1968-69.

Well, it will not get that surplus. The Government will be between \$2,000,000 and \$4,000,000 short. I will not exaggerate in that regard, as was done when we were in office, when we were told we would be \$20,000,000 in deficit. He continued:

It is appreciated, of course, that during the currency of the year there will undoubtedly be a number of new industrial awards not at present covered in the expenditure estimate provisions and, although it is not possible to forecast their probable extent, their impact upon the Consolidated Revenue Account is likely to be significant.

This is the gem of gems:

Honourable members will be aware that in June last the Premiers of all States put to the Prime Minister proposals for a revision of Commonwealth-State financial relations. These submissions were not successful and the Government feels that the stand of the Commonwealth against the States generally and against South Australia in particular has been most unreasonable and inconsiderate.

The Hon. D. H. L. Banfield: There has been a change of attitude by the Government.

The Hon. A. J. SHARD: Yes, it is changing horses. The Chief Secretary continued:

A mass of information indicating the relative gross inadequacy of the sources of State finance both in volume and in growth potential has been placed before the Commonwealth, and

the State Government has no intention of relinquishing or even abating its efforts to secure a more reasonable financial arrangement. If, by virtue of significantly increased wage awards or for any other cause outside our control, there should be a threat of an ultimate deficit for this year—

we have got that—

the Government will move immediately to renew its application to the Commonwealth for supplementary finance and will press this to the stage of a formal application under the Commonwealth Grants Commission Act, if necessary.

I hope that every person in this State reads that explanation. The Chief Secretary continued:

The Government would also be disposed, if necessary, to submit to Parliament supplementary proposals which would not only authorize the unavoidable expenditures but would propose ways and means to finance them.

When the Labor Government was in power we were told by almost every member in this Chamber not to grizzle about the Commonwealth Government's not doing the right thing or about its not doing enough for South Australia. We were told to settle down, get on with the job, and live within our means.

The Hon. D. H. L. Banfield: They told us that more than once.

The Hon. A. J. SHARD: Yes, but we get in the Chief Secretary's first Budget exactly what we were saying, but in stronger terms.

The Hon. Sir Norman Jude: It means that you should have got back to governing within your means.

The Hon. A. J. SHARD: It does not mean that at all. We did things, and the State is much better off for them. What does this statement mean? It means either that added taxes are to be imposed or that we cannot spend money on certain things. Possibly, as a safeguard, the Government could go back to the Grants Commission. I smile at that because when the Liberal and Country Party and Sir Thomas Playford (although I do not want to be unkind to him) said it was the best day's work ever done for the State when South Australia broke away from the Grants Commission, I did not think it was. It would have been recorded that I said South Australia would live to rue the day that it left the Grants Commission. Now, less than a decade since we left the commission, we find that the Government may have to go back to it and ask for assistance. The Government has two choices: to increase taxation or to go to the Commonwealth Grants Commission and beg

for something from it. I hope that the proper decision to go to the Commonwealth Government will be taken. I do not know what results we will get from the Commonwealth Government, because the tragedy is that that Government is obsessed with its own importance and seems to think that it can do without the States and that the people will blindly return it to the Treasury benches at any time it asks.

The Hon. D. H. L. Banfield: What about the happy family that Mr. Gorton was talking about?

The Hon. A. J. SHARD: We have no hope. Irrespective of how happy they would like to be, I have never seen any business man controlling the purse strings happy to share money with other people who wanted their cut of the cake.

I leave it at that. I do not appreciate the Budget one iota. Although I shall not vote against it (because that is just not done here in respect of money matters), when supplementary legislation is introduced I am afraid I shall oppose it because I do not think the measures taken to raise the extra money needed to finance the proposals of this Budget are fair or equitable. I hope the public clearly understands what it is being asked to do.

The Hon. M. B. DAWKINS secured the adjournment of the debate.

FRIENDLY SOCIETIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from October 3. Page 1659.)

The Hon. A. J. SHARD (Leader of the Opposition): I rise in quite a different frame of mind on this Bill. I support it with great pleasure because it does something for a section of the community for which I have great respect—the friendly societies.

The Hon. C. R. Story: Are you a chief ruler?

The Hon. A. J. SHARD: No, I am not. I was a member once until I had an illness and could not afford to maintain my contributions; I did not rejoin that particular society. This Bill has four main objects, four important clauses. Clause 3 amends section 7 of the principal Act to provide for the payment of ancillary benefits from medical and hospital funds. The present Act provides that ancillary benefits can be paid from medical funds; the amendment simply means that benefits can be paid from both medical and hospital funds.

Clause 6 deals with the procedure for the registration of amendments to the rules of friendly societies as regards medical and hospital benefit payments. The present position is that, before the friendly societies can amend their rules to increase the benefits payable or the number of benefit items, they have to contact the Commonwealth Government and the Health Department to get their permission to do so: then, under the provisions of the principal Act, they have to go through the procedure of taking their proposed amendments to the Public Actuary, who must make inquiries and then submit recommendations to the Government. Clause 6 provides that, once the Commonwealth Government has given permission to the friendly societies to amend their rules in order to increase their benefits, the Public Actuary, without any inquiry, automatically gives his consent. This is a decisive amendment that can be agreed to without debate.

Clause 7 tidies up an amendment that we, when in Government, made enabling friendly societies to establish building societies. The Commonwealth Government seems to have two interpretations of income tax in respect of co-operative societies: in some States they do not have to pay income tax, but in South Australia such an interpretation has been placed on the present composition of the friendly societies that they are not co-operative societies, and so they have to pay income tax. Clause 7 corrects that position and makes it clear that the friendly societies can make themselves into co-operative societies to meet the wishes of the Commonwealth Government Income Tax Department, and I support it.

Clause 14 provides that, if a society and its members so desire, they can have a registered firm of auditors audit their books instead of the "two or more" auditors at present provided for. It has been the practice for friendly societies, as for other organizations (including the trade union movement), to have two of their own members audit their books, which would be sufficient; but now, if a society desires it and its members agree, it can have a firm of auditors audit its books, which will overcome some difficulty. This step is correct. The societies should be able to do this, and I have no objection to supporting their request. The remaining clauses merely provide for the conversion of sterling into decimal currency.

I have discussed this Bill with two prominent people connected with friendly societies. They ask that it be passed; they want it. It will

make their work in the interests of their members more satisfactory and straightforward. I have great pleasure in supporting the second reading.

The Hon. H. K. KEMP secured the adjournment of the debate.

BUILDING SOCIETIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from October 3. Page 1646.)

The Hon. D. H. L. BANFIELD (Central No. 1): This Bill is complementary to the Friendly Societies Act Amendment Bill, with which the Leader has just dealt. First, I draw attention to what the Chief Secretary said when introducing this Bill:

This Bill, which is one of a series of measures designed to give effect to the Government's policy of ensuring that there are no obstacles to the diversion of available funds for the purposes of home building

While the Government says it is prepared for other people to put money into home building, that assertion rings a little hollow when we find that in the Loan Estimates the Government has in this respect provided \$1,500,000 less this year than was provided last year, so perhaps it is hoping that the friendly societies will come to its aid in that direction. When addressing himself to the Friendly Societies Act Amendment Bill, the Leader said that the Commonwealth Government appeared to have two interpretations of taxation. A similar Bill was introduced in 1966, which was identical with Acts operating in other States, and it was found that the friendly societies could get taxation exemption in those States. A body in this State was operating under exactly the same Act—

The Hon. R. C. DeGaris: It would not have been exactly the same Act as far as this State was concerned.

The Hon. D. H. L. BANFIELD: The proposal was the same, the result was the same, but the interpretation by the Commissioners of Taxation in each State was not the same.

The Hon. R. C. DeGaris: The point I make is that all are dealing with different State Acts.

The Hon. D. H. L. BANFIELD: Yes, but the wording that appeared in section 4 (10) is the same as in the Victorian Act, and the friendly societies there were able to get exemption from taxation, but because of the interpretation on this side of the border they were

not able to get exemption from taxation in this State. That is the main reason for this Bill, which extends the exemption to the members. The exemption is not limited to the friendly societies. I think this is a step in the right direction, although it is a bit tough when people in the one Government department give different interpretations, even when we realize that those people live in different States. I understand that this Bill is wanted by the friendly societies. I have been in touch with officers from a number of co-operative building societies and they offer no objection to the Bill before us. I support the second reading.

The Hon. G. J. GILFILLAN secured the adjournment of the debate.

SCIENTOLOGY (PROHIBITION) BILL

Adjourned debate on the motion of the Hon. R. C. DeGaris (Minister of Health):

That this Bill be now read a second time, which the Hon. A. J. Shard had moved to amend by leaving out all words after "be" with a view to inserting in lieu thereof the words "withdrawn and that the matter of measures to protect the public from any harm which may be caused by the teaching or practice of scientology be referred to a Select Committee of the House".

(Continued from October 3. Page 1651.)

The PRESIDENT: I inform the Council that I have examined the question raised last Thursday by the Hon. A. J. Shard regarding the recent amendment he has moved relating to the question of the second reading of the Scientology (Prohibition) Bill, and I find that the amendment is in order. However, I would point out that if the honourable member's amendment is agreed to and the Bill is withdrawn it is probable that the resolution passed by the House of Commons relating to debates on matters awaiting judicial decision would prevent the honourable the Leader from moving the motion for the appointment of the Select Committee referred to in the second part of his amendment.

The Hon. G. J. GILFILLAN (Northern): I rise to speak to this Bill following your earlier ruling, Sir, and also to speak to the amendment that is before the Council. I can understand the concern shown by the Minister of Health in his second reading explanation of the Bill, and I believe that he is justified in bringing to the notice of this Council the dangers that could ensue from the introduc-

tion of scientology in this State. The public is given strict protection in connection with the practice of medicine for reward by unqualified people, and I have no quarrel with the Government when it brings the practice of scientology before Parliament. However, I believe that this is a wide subject requiring the fullest investigation. We have before us a copy of the report of a board of inquiry appointed by the Victorian Government containing certain matters that must give concern to all members. I believe, with the Leader of the Opposition, that we should not, as a matter of course, accept reports from other States or that we should follow other States merely for the sake of conforming with them, as has sometimes been suggested. Therefore, I agree with the Leader that the appointment of a Parliamentary Select Committee is desirable so that this question can be given a full investigation to ensure that members of the public are protected and that the rights of all people are preserved as much as possible within the limits of law and good order in our community. The Minister, of course, has acted not only on his own knowledge but also on the recommendations of his medical advisers within the department, and no doubt he has information not readily available to every member of Parliament.

The Hon. D. H. L. Banfield: Or was this agreed upon at a meeting of Ministers?

The Hon. R. C. DeGaris: In 1967?

The Hon. G. J. GILFILLAN: Yes—

The Hon. D. H. L. Banfield: But not put into operation, and New South Wales is not going into it either.

The Hon. G. J. GILFILLAN: All this confirms my view that a Select Committee is needed to consider the legislation before us.

The Hon. D. H. L. Banfield: But you mentioned the medical officers here. It was a decision of the Ministers, wasn't it?

The Hon. G. J. GILFILLAN: That is not precisely what I did say. I referred to the fact that the Minister in his office as Minister of Health has the advice of the medical officers of his department. I listened to your ruling, Sir, on the motion moved by the Leader of the Opposition on Thursday last. I have also read the Leader's questions and your answers on that occasion where he asked for some guidance as to procedure within the Council. I have had prepared an amendment to his amendment, and I believe it does not cut across your ruling, Sir. At the same time I think it will meet with the Leader's wishes.

I do not intend to debate the pros and cons of scientology as such because if the Council agrees to the appointment of a Select Committee I think any comment at this time would not be justified. I now move:

To amend the amendment moved by the Hon. A. J. Shard by leaving out the words "withdrawn and that the matter of measures to protect the public from any harm which may be caused by the teaching or practice of scientology be".

I move this further amendment because I believe that if a Select Committee is set up the investigation should be largely confined to

consideration of the Bill itself and to bringing forward any recommendations made by the committee for consideration by the Council. Such a procedure has worked successfully on a number of occasions when contentious matters have come before the Council.

The Hon. L. R. HART seconded the motion.

The Hon. A. F. KNEEBONE secured the adjournment of the debate.

ADJOURNMENT

At 3.32 p.m. the Council adjourned until Wednesday, October 9, at 2.15 p.m.