

## LEGISLATIVE COUNCIL

Thursday, November 7, 1968

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

### SCIENTOLOGY (PROHIBITION) BILL

The PRESIDENT: I have seen the report in the *Advertiser* regarding the question asked by the Hon. Mr. Banfield yesterday and am concerned because no reference was made to my quotation from Erskine May's *Parliamentary Practice* concerning the protection extended by the Constitution and Standing Orders to "all witnesses examined before the Council or any committee thereof". I do not propose again to quote that passage from Erskine May but will draw the attention of honourable members to the following extract from May's *Parliamentary Practice*, at page 130, under the heading "Acts tending indirectly to deter witnesses from giving evidence":

Any conduct which is calculated to deter prospective witnesses from giving evidence before either House or before committees of either House is a breach of privilege. It is upon this principle that witnesses are protected from arrest, not only while going to or attending either House or committees of either House, but while returning from such House or committees.

Molestation of witnesses on account of their attendance or testimony as witnesses—Upon the same principle any molestation of, or threats against, persons who have given evidence before either House or before committees of either House will be treated by the House concerned as a breach of privilege.

The following are instances of this kind of misconduct:

Assaulting persons for having given evidence before committees or on account of the evidence which they have given before committees.

Threatening persons with personal violence on account of the evidence which they have given before the House or committees.

Insulting and abusing a witness on account of the evidence which he has given before a committee.

Calling any person to account or passing a censure upon him, for evidence given by such person before the House or any committee thereof.

I would point out also, in reference to the minutes of evidence taken by the Select Committee, that it was in reply to a question by the Hon. Mr. Banfield yesterday that I said that such minutes were printed, which could not be done without an order of the Council. The word "printed" was left out in this morning's press report of what I said in reply to a question that asked whether anything that

was printed was available to the press. Honourable members know that anything printed is printed by order of the Council and, in that case, it is then available. I make this explanation to ensure that there is no misunderstanding regarding the information I gave yesterday or regarding any ruling.

The Hon. D. H. L. BANFIELD: I seek leave to make a brief explanation prior to asking a question of you, Sir.

Leave granted.

The Hon. D. H. L. BANFIELD: You have already expressed concern this afternoon, Sir, regarding the way in which speeches made here have been reported in the press. Unfortunately, you have not been the only one who has had garbled reports of speeches printed in the press from time to time. Having seen a somewhat garbled report of something you yourself have said, will you therefore ask the *Advertiser* and the *News* to be more careful in future in their reporting and to ensure that their reports are more correct than the garbled reports that have been published?

The PRESIDENT: I cannot say any more than I have already said from the Chair. However, I anticipate that due recognition will be given to the remarks made this afternoon.

The Hon. S. C. BEVAN: In view of the importance of your report to the Council this afternoon, would you, Sir, use your good influence to ensure that your statement on the question of evidence is fully printed in the *Advertiser* so that people who are interested in this question will be fully informed of the situation?

The PRESIDENT: I will make those representations.

### QUESTIONS

#### EASTERN STANDARD TIME

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: A heading on page 1 of this morning's *Advertiser* refers to what is termed the strong case for the adoption of Eastern Standard Time in South Australia. This report apparently was made available by the Industrial Development Branch of the Premier's Department. Among other things, the newspaper article says:

The report said that protests from farmers, not being logically based, would fade after the introduction of Eastern Standard Time.

I should be interested to know how the Industrial Development Branch decided that farmers' protests were not logically based. I point out that the matter is the subject of debate and difference of opinion. Consequently, will the Chief Secretary assure the Council that, before any direct executive action is taken or before the matter is dealt with, the Government will make this matter known to the people and to the Parliament of South Australia?

The Hon. R. C. DeGARIS: This question does concern Government policy. I think I can answer it without much difficulty. Whatever action is taken, due notice will be given to the public and to this Parliament. Whether the action is executive or legislative, this Parliament, as always, will have the right to express its opinion on it.

#### MOTOR VEHICLE ACCIDENTS

The Hon. V. G. SPRINGETT: My question relates to vehicular accidents, as a result of which accidents the names of victims are broadcast over the air and printed in the press. Unfortunately, sometimes the first information relatives have of an accident is when they hear the name broadcast over the air or read it in the paper. Can the Chief Secretary say whether there are means to ensure that such details do not reach the public before the family of the victim has been officially notified, thereby causing that family unnecessary stress?

The Hon. R. C. DeGARIS: I realize that there is a problem in relation to this matter. Every effort is made by the Police Department to notify the next of kin before any names are released. Unfortunately, however, there is no way in which this practice can be enforced where the name of a victim is known to the press at the time of the accident.

The Hon. A. J. Shard: In other words, there is no law to prevent it?

The Hon. R. C. DeGARIS: That is right; there is no law to prevent someone finding out who is the victim and publishing the name. On two occasions since I have been Chief Secretary, difficulties have arisen where the name of the person involved in a serious accident has been broadcast before the next of kin have been advised. However, this is a matter of co-operation and at present I believe that a good deal of co-operation with the news media exists in an endeavour to ensure that the next of kin are advised before such an announcement is made.

#### LONG SERVICE LEAVE

The Hon. A. F. KNEEBONE: Has the Chief Secretary a reply to the question I asked last Tuesday regarding pro rata long service leave and the Public Service Act?

The Hon. R. C. DeGARIS: I indicated to the honourable member when he asked the question that I had some knowledge of this matter. The honourable member's question fell into three parts. On October 7 last Cabinet approved amending legislation to remove the anomaly referred to by the honourable member, and it is intended to provide for the legislation to apply retrospectively. Therefore, the answer to each of the three questions is "Yes".

#### PRICES

The Hon. D. H. L. BANFIELD: Will the Chief Secretary, representing the Treasurer (the Minister in charge of the Prices Branch), obtain answers for me to the following questions: the number of items that have been released from price control since April this year; the items that are still under price control; and the amount of the increases in the retail price of nationally branded men's welt shoes since they were decontrolled?

The Hon. R. C. DeGARIS: I undertake to get that information for the honourable member.

#### PORT PIRIE HOSPITAL

The Hon. R. A. GEDDES: Complaints have been voiced that the proposed extensions to the Port Pirie Hospital have not yet started, despite promises that have been previously made. Can the Chief Secretary explain the reason for this delay?

The Hon. R. C. DeGARIS: I am not too clear on what promises have been previously made. I think yesterday a letter went to the Lay Superintendent of the hospital, and I am certain that the hospital board has been kept fully informed of progress in this regard. The programme for the hospital is a very large one, involving completely modernizing and adding to the hospital, so of course no work can begin until the Public Works Committee has reported on the project. At present the Hospitals Department is almost ready to refer this question to the committee. The rebuilding is further along the line at this stage than ever it has been in the past. I expect that this matter will be referred to the Public Works Committee soon.

### STUDENT TEACHERS

The Hon. G. J. GILFILLAN: In view of the recent controversy concerning student-teacher allowances, will the Minister of Agriculture ascertain from the Minister of Education the full cost of training primary and secondary student teachers?

The Hon. C. R. STORY: On behalf of my colleague, the Minister of Local Government, I will obtain the information and let the honourable member have it in due course.

### CROWN LAND

The Hon. C. D. ROWE: On October 8 I asked a question of the Minister of Agriculture, representing the Minister of Lands, concerning the number of applications received for the freeholding of Crown land. Has he a reply?

The Hon. C. R. STORY: Yes. Twenty-four applications for land grants have been approved since the Government took office earlier this year. Many others are being considered. These applications require valuations, and difficulty is experienced in this respect because of their number. Some applications which would have to be declined under the provisions of the Crown Lands Act are being held pending a review of the Act, and a probable amending Bill. The scope of the amendments is receiving attention.

### HOLDEN HILL PRIMARY SCHOOL

The PRESIDENT laid on the table the report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Holden Hill (Valiant Road) Primary School.

### ELECTORAL DISTRICTS (REDIVISION) BILL

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

### STAMP DUTIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from November 6. Page 2254.)

The Hon. H. K. KEMP (Southern): In speaking to this Bill, I say first that I do not like any legislation that increases taxation. However, heavy bills have to be paid by the State and I believe this form of taxation, which lays the burden where commerce is flowing freely and very lightly, is least harmful. It does not impose a burden on the means of production or on industry or services regardless of prosperity or impose a mortgage on our future.

However, I think that, through misunderstanding, this measure in its present form will kill the producer co-operatives upon which we depend in so many sections of the more intensive forms of agriculture. These include the dairy industry, wine and fruit industries, and the fishing industry. As the pressure increases so these co-operatives would grow if left unimpeded, but this Bill will kill them. There seems to have been inability to communicate in this matter.

Although the Minister's representatives have assured me there will be no unfair impact of stamp duty, when advice was taken by the co-operatives through the co-operative in which all are combined (I refer to Murray River Wholesale Co-operative Ltd.) they were informed that under the present structure a grower selling his fruit—I take that as an example because I am most familiar with it—will be taxed three times: (1) when paid by the co-operatives; (2) when the co-operative is paid by the export agent or market man—the processor—or juice manufacturer where each portion of the crop suitable to that outlet has been placed; and (3) when fresh fruit is sent to the local market or is exported overseas there is further exchange of fruit and money that will be taxable. A further check made by Murray River Wholesale Co-operative Ltd. with Treasury officials confirms that opinion.

At this stage I quote from a letter that I have received from a representative of that co-operative. It reads:

On the matter of receipts stamp duty, I thought I would mention the Treasury officials stated in our discussion that fruit sales could be exempt from payment of duty under the provision made in the Bill for sales made by agents. To obtain such an exemption it would be necessary to receive instructions from the principal in writing that he accepted responsibility to pay the receipts stamp duty cost.

In the case of purchases of merchandise, the Treasury officials stated the co-operatives could claim exemption from the tax under the same provisions where the order was placed at the request of the grower. However, where a co-operative purchased goods to provide prompt service to a grower when he wanted a particular article and bought that article from the stock held by the co-operative, then the co-operative in this instance would be required to pay the receipts duty.

It seems the Government considers a co-operative is an agent, whereas in fact this is not so. A co-operative is a group of growers who have formed their own organization out of necessity, in the majority of instances, to provide an extension service for each and every member who produces and sells his primary product.

There seems to be inability on the part of the Government to appreciate just what co-operatives are and how they work. We do not sell our fruit to the co-operative—we give it, with no restriction as to alternative markets but with an indication as to the designation to which we would prefer it to be directed. The co-operative sorts out the crude bulk harvest delivered to it. As regards apples, some go to juice factories, some to canneries and some into the several grades of fresh fruit for sale in this form. Some go into store and, in the event of later sales being disappointing, are eventually wheeled out to waste.

The fresh fruit is given to the mother co-operative, Murray River Wholesale, the Government Produce Department, or other agents for sale overseas; or in Adelaide it is given to a market man employed by the co-operative or placed in the hands of a commission agent for sale. There is no doubt that the ownership of the fruit in all these transactions remains with the grower. Any loss occurring at any stage is his.

Final proof that in law the ownership of the fruit remains with the grower all through these transactions was given in connection with that famous shipment of apples caught in the Suez Canal at the opening of the hostilities between the Arab countries and Israel. After long delay, insurance has been paid on this fruit, but it still belongs to us, for \$1 has been withheld from the insurance payment to pay for the unloading of the fruit and its disposal if ever these ships can be extracted.

The grower who is faithful to his co-operative, who uses it to dispose of his fruit, will be taxed three times, under this organization, on his own fruit, while the cash paid for it filters back to him through the organization he himself has set up.

Commissions are not charged in this chain of transactions. Actual costs involved are deducted and, where a fixed charge for convenience may be made to save complex book work, any surplus to that fixed charge must by law be passed back to the man from whom it arose—the grower, who is, with his fellow growers, the owner of the whole chain of business, and not transacting business with anyone but himself until the final sale in the market or in Britain is made.

No agency or commission agency of any kind is involved here. The grower who takes his own fruit to market and sells it escapes with one duty charge. The purchase of

materials goes through exactly the same process: the grower instructs his co-operative, which instructs Murray River Wholesale to purchase a certain item. Murray River Wholesale does so. It charges the co-operative its price plus its costs—telephone calls, etc.

The co-operative charges the grower, adding its costs and freight. In this case there is usually a fixed percentage charge merely for convenience, but what is not actually expended must be repaid to the growers, who must by law pay income tax on their rebates. This is an anomaly that we still cannot get the Commonwealth Government to appreciate, but it does not concern us here.

The Hon. C. R. Story: Many citrus growers would agree with that.

The Hon. H. K. KEMP: There is no direction or indication to the co-operatives. It is not so, as the Treasury officials have stated, that we consider our co-operatives as agents and seek an exemption for them in each particular instance. Where the grower buys direct from the merchants, stamp duty is exacted.

In today's world, where co-operatives are extended to the utmost in keeping down service charges in the face of heavy and continually rising wages costs, this must have serious effects. Moreover, it is grossly unfair. Why should the growers who have joined with their neighbours in forming co-operatives be charged three times, when there is only one levy on the individual who carries on exactly the same function?

For this reason, if this Bill reaches the Committee stage, I foreshadow an amendment exempting a co-operative registered under the provisions of the Industrial and Provident Societies Act, 1923-1966, and whose business with its members consists of not less than 90 per cent of its total turnover. By exempting receipts issued by co-operatives, transactions will be taxed only once when the merchant is paid for his goods; and by the grower when he receives payment for his fruit. We are not seeking total exemption. With this proviso, I support the Bill.

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

TRUSTEE ACT AMENDMENT BILL  
(Second reading debate adjourned on November 5. Page 2172.)

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Authorized investments."

The Hon. Sir ARTHUR RYMILL: I have an amendment to this clause which, through pressure of events, is not quite ready. The Chief Secretary, too, may have an amendment to this clause. In any event, I point out that this legislation cannot come into operation until, I think, March 1. In these circumstances, perhaps the Chief Secretary would consider reporting progress at this stage.

The Hon. R. C. DeGARIS (Chief Secretary): There are amendments to be drawn for this clause. I think progress should be reported.

Progress reported; Committee to sit again.

#### RAILWAYS STANDARDIZATION AGREEMENT (COCKBURN TO BROKEN HILL) BILL

Adjourned debate on second reading.

(Continued from November 6. Page 2257.)

The Hon. L. R. HART (Midland): Some very worthwhile contributions have been made to the debate on this Bill by honourable members, and I do not wish to repeat what they have said. I think it must be agreed that a standard gauge railway line between Eastern and Western Australia will bring about revolutionary changes to passenger and freight transport. No doubt there will be a considerable reduction in freight costs; I understand they will be reduced by about 12½ per cent. Also, there will be a very worthwhile saving in the time taken for a journey from the east coast to the west coast of Australia; the time will be reduced from between eight and ten days to as little as four days.

The new route of the railway line from Cockburn to Broken Hill will be five miles shorter than the existing narrow gauge line. The new line will not serve the old mining town of Silverton, which no longer needs a railway. The new route will result in reduced operating costs and in the elimination of 21 open level crossings in the Broken Hill area. All honourable members who have travelled on the line to Broken Hill and on the line from Broken Hill to Sydney will agree that the time has arrived for modernizing these lines. The present east-west passenger service is anything but conducive to attracting passengers to the railways.

It is understandable that the railway authorities have been uncertain about the future: they were uncertain when standardization would be achieved, and the Silverton Tramway Company did not know for how long it would be operating or what compensation would be paid to it. The financial arrangements are

those that generally apply to rail standardization projects—the Commonwealth Government has agreed to pay the total cost of the work required and the beneficiary State (in this case, South Australia) is required to repay 30 per cent of the total cost, with interest, over 50 years. I think it has already been said that the present agreement covers two groups of work: the new railway line, and the financing of certain items of rolling stock that probably could not be provided under a proper interpretation of the 1949 agreement. The Commonwealth Government will also contribute toward the cost of converting certain privately-owned sidings and tank cars.

The Commonwealth Government has agreed to make every endeavour to acquire the Silverton Tramway Company and to vest it in the South Australian Railways Commissioner. As the link between Cockburn and Broken Hill will take a new route, there was no obligation on the part of the Commonwealth Government to compensate the company. However, it agreed to make an *ex gratia* payment. We are informed that to date the company has not agreed to accept this compensation.

The other important aspect, which has been raised by other honourable members, is the future priority of standardization works and of the projected construction of other railways in South Australia. The work most mentioned and of most importance is standardizing the line from Adelaide to Port Pirie. At one stage this line's priority was very high but there is now a fear that, since the line from Perth to Sydney has been standardized, the priority of the line from Adelaide to Port Pirie will be considerably reduced.

According to a recent press report, the Commonwealth Government has engaged a team of consultants to inquire into the whole railway needs of this State and possibly to draw up a list of priorities. Of course, several lines, in addition to the Port Pirie line, have a fairly high priority. There is the possibility of a line being built from Port Augusta to Whyalla and of a new north-south line; if the latter line is built it will take an entirely new route.

One wonders whether there is a need for a railway line into Central Australia at all and whether this area's needs cannot be better served by road transport. There will undoubtedly be pressure for an all-weather road into Central Australia. The amount of traffic carried on this line at present is fairly negligible. However, this cannot be taken as

the criterion for deciding whether the line is justified, because there may later be discoveries of important mineral resources in Central Australia that will justify a railway line. We must bear in mind the defence aspect, too. However, we should not lose sight of the fact that an all-weather road could be built at possibly half the cost of a railway line and that it would serve the area equally well. The question of constructing a line from Port Augusta to Whyalla has concerned a number of people recently. On September 25, 1968, in the House of Representatives the Commonwealth Leader of the Opposition (Mr. Whitlam) referring to the Minister for Shipping and Transport (Mr. Sinclair) asked:

Does he agree with his predecessor . . . that the construction of a railway between Whyalla and Port Augusta will not be undertaken before the standard gauge railway is extended from Port Pirie to Adelaide?

The Commonwealth Minister replied:

Previous studies of the economies of a railway between Port Augusta and Whyalla indicated that successful operation would depend on the availability of a standard gauge connection to Adelaide. Recent developments in the steel traffic from Whyalla, particularly the decision by the Broken Hill Proprietary Company Limited to transport steel to New South Wales by rail from Whyalla, instead of by ship, have indicated the need to re-assess the position. This review is being carried out at the present time and a report will be submitted to the Government in due course.

The Hon. A. F. Kneebone: Of course, they could be done at once because one would be done by the Commonwealth Government and the other by the State Government.

The Hon. L. R. HART: True, but the Commonwealth Government has agreed to assist in the building of a line from Port Augusta to Whyalla.

The Hon. A. F. Kneebone: It would be a Commonwealth line.

The Hon. L. R. HART: Yes. The standardization from Adelaide to Port Pirie would also be a Commonwealth responsibility.

The Hon. A. F. Kneebone: No, it would be a South Australian line and would not be in the same terms as the other line.

The Hon. L. R. HART: Yes, but it would come under the standardization project.

The Hon. A. F. Kneebone: This would, but the other would not.

The Hon. L. R. HART: It would be part of the Commonwealth scheme for standardization. The Commonwealth Government must

accept some responsibility for both the lines. We must examine closely whether the Port Augusta to Whyalla line should have a higher priority than the Adelaide to Port Pirie line. I suggest that, if the Port Augusta to Whyalla line is built first, the priority of the Adelaide to Port Pirie line will be considerably reduced, and South Australia cannot afford that. There is no doubt that South Australia will lose much traffic and industry if it is not connected to the standard gauge system.

The Hon. M. B. Dawkins: In other words, the standard gauge connection to Adelaide is of paramount importance.

The Hon. L. R. HART: Yes, because industries intending to set up in South Australia know that Adelaide is not connected to the standard gauge system, and they will be reluctant to come here if South Australia has no direct connection to that system. The Government is probably well aware of this. We have seen instances where deferments have occurred on certain projects, and such deferments could prove costly to South Australia. We do not want a repetition of this in relation to the standardization of this line.

The experts must decide whether the present line from Adelaide to Port Pirie should be transformed to standard gauge, because it may not be the logical line. Indeed, other lines may well be better placed to be adapted to standard gauge. However, we must not forget that every move that is made to standardize other lines reduces the priority of the Adelaide to Port Pirie line. This Government should be fighting for this matter now, and it should be of great interest to our Senators and to our members of the House of Representatives.

I do not wish to debate this matter at length, because most aspects have already been covered by other members. However, I commend to the Government the need to watch the whole development of standardization within this State and not to agree to something that will reduce the possibility of South Australia's capital city being connected to the standard gauge system. I support the second reading.

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

#### ADJOURNMENT

At 3.5 p.m. the Council adjourned until Tuesday, November 12, at 2.15 p.m.