LEGISLATIVE COUNCIL

Thursday, November 14, 1968

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

STATE BANK ACT AMENDMENT BILL

His Excellency the Lieutenant-Governor, by message, intimated his assent to the Bill.

QUESTIONS

STAMP DUTY

The Hon. A. F. KNEEBONE: I seek leave of the Council to make a short statement before asking a question of the Chief Secretary.

Leave granted.

The Hon. A. F. KNEEBONE: I noticed in the newspaper this morning a report of a High Court action being taken by Associated Steamships Pty. Ltd. against the Western Australian Government in regard to stamp duty. It was stated:

If the action succeeds all State Governments will have to abandon stamp duties except in a minor area.

I notice, too, that the New South Wales Government and Premier have announced that New South Wales intends to intervene in this case. The opinion was expressed that the Victorian Government, too, would intervene. The present Liberal Government in this State normally follows the actions in regard to taxation of its colleagues in New South Wales and Victoria. First, can the Chief Secretary say whether the Government intends to intervene in this case? Although I am not a legal eagle I understand that when a High Court case like this is in progress the matter is *sub judice.* If I am correct in saying this, does the Government intend to withdraw its Bills relating to stamp duties that are at present before the Council?

The Hon. R. C. DeGARIS: I am interested that in the preamble to his question the honourable member mentioned certain Liberal Governments. However, I point out that the Tasmanian Labor Government, too, is involved in this matter. The honourable member's two questions involve Government policy, so I ask him to put them on notice.

SNOWTOWN POLICE STATION

The Hon. L. R. HART: Has the Chief Secretary a reply to my recent question about the calling of tenders and the possible completion date in connection with the proposed new Snowtown police station?

The Hon. R. C. DeGARIS: It was expected that tenders would be called towards the end of October, 1968, for this project. It is now programmed for tenders to be called early in December, 1968, and for construction to be completed in September, 1969.

The Hon. L. R. HART: Will the Chief Secretary use his influence to have this project treated as a matter or urgency, because I understand that a Highways Department camp is to be set up at Snowtown, and the people of Snowtown fear that this camp, which will mean an additional work force in the town, will be in operation before the police station is built. I think the Chief Secretary will appreciate the urgency of this matter.

The Hon. C. M. Hill: They are all well-behaved employees.

The Hon. R. C. DeGARIS: I undertake to do what I can to achieve the situation to which the honourable member refers. I point out that the completion date given is purely tentative. As the honourable member knows, most Government departments are usually rather conservative in their estimates.

BUILDING RESTRICTIONS

The Hon. V. G. SPRINGETT: I wish to refer to certain people who have bought land, subdivided it into 10-acre sites along the Mount Barker Road, and now want to build houses on their blocks. What is the law as it applies to such people?

The Hon. C. M. HILL: Assuming that the land in question comes within the zoned area known as the "hills face", the only restriction regarding building on allotments in this area is that the construction must be limited to single-unit dwellings. In other words, people will not be permitted to build blocks of flats on allotments in this zone. If the 10-acre sites to which the honourable member refers are further back in the hills and do not fall within the hills face zone, yet are still on or near the Mount Barker Road, then the normal restrictions on construction apply, in respect of that class of land. In other words, the application to build must simply be made to the council in the normal manner.

GRAIN CARTAGE

The Hon. A. M. WHYTE: Has the Minister of Agriculture a reply to my recent question about grain cartage on Eyre Peninsula?

The Hon. C. R. STORY: The General Manager of South Australian Co-operative Bulk Handling Limited states that this year prices were obtained from several sources

before contracts for the cartage of grain from outlying areas to the Thevenard and Port Lincoln terminals were awarded. In the case of the Thevenard division, a two-year contract has been completed with the usual carriers, Eyre Peninsula Road Transport Association, for the cartage of bulk grain from off-line silo stations to the Thevenard terminal silo.

Eyre Transporters Limited has been awarded a two-year contract for the transport of all bulk grain from off-line silo stations in the Port Lincoln division. Incidentally, it is pleasing to note that this year the cartage rates are lower than those which applied last year.

The Hon. A. M. WHYTE: I am grateful that the cartage fee will be less this year. However, I already know the information the Minister has given me. I asked why contracts for the cartage of grain from outlying silos to terminals at Thevenard and Port Lincoln were not decided by the calling of tenders.

The Hon. C. R. STORY: I am sorry if the honourable member already knew that. One might wonder then why the question was asked in the first place. However, if the honourable member would like to recouch his question in other terms, I shall be happy to obtain a reply for him.

The Hon. A. M. WHYTE: As previously asked by me, why were contracts for the cartage of grain from outlying silos to terminals at Thevenard and Port Lincoln not decided by the calling of tenders?

The Hon. C. R. STORY: I shall obtain a report from the bulk handling company.

AGRICULTURAL EDUCATION

The Hon. M. B. DAWKINS: Has the Minister of Agriculture a reply to the question I asked on October 16 regarding agricultural education and the committee that has been appointed to inquire into that subject?

The Hon. C. R. STORY: The Chairman of the Committee of Inquiry into Agricultural Education in South Australia (Mr. Ramsay) has been good enough to furnish me with a comprehensive report on the activities to date of this committee, and of the operations of its various subcommittees. The three subcommittees are dealing respectively with education, research and extension services, and are examining and collating the vast amount of data coming forward.

Despite the wide scope of its terms of reference, the main committee is making good progress on the fundamental issues involved, and I am confident that its report, when presented, will provide a valuable guide to future action to meet South Australia's agricultural education needs. Copies of this reply are available to the honourable member who asked the question and to any other member who is interested and who would like to see the progress that this committee has made so far. I am sure the honourable member will be satisfied with that progress.

TOURISM

The Hon. R. A. GEDDES: Has the Minister of Agriculture, representing the Minister of Immigration and Tourism, a reply to the question I asked a fortnight ago in relation to the tourist industry in the Flinders Ranges?

The Hon. C. R. STORY: The Minister of Immigration and Tourism reports that the proposed visit by Senator Wright to Port Pirie was cancelled, and there has been no subsequent opportunity to discuss the matter with him. A letter will be sent to Senator Wright asking him to approach the Postmaster-General.

POLDA-KIMBA MAIN

The Hon. A. M. WHYTE: I understand that a renewed approach is being made to the Commonwealth Government for financial support for the Polda-Kimba main. Will the Minister of Agriculture obtain from the Minister of Works information on what progress has been made to this stage?

The Hon. C. R. STORY: I undertake to supply the information the honourable member requires.

TRUSTEE ACT AMENDMENT BILL

In Committee.

(Continued from November 7. Page 2314.)

Clause 3—"Authorized investments."

The Hon. R. C. DeGARIS (Chief Secretary): I move:

To insert the following new paragraph:

(*aa*) by inserting after paragraph (*b*) the following paragraph:

(*ba*) on any mortgage registered pursuant to the Real Property Act, 1886-1967, as amended, of any perpetual lease granted under the Crown Lands Act, 1929-1967, as amended, or under any corresponding previous enactment;

This matter was raised in debate, I think by the Hon. Mr. Rowe. The Government has considered this point, and has agreed to the

contention put forward by the honourable member. We can see no reason why in this day and age a mortgage registered pursuant to the Real Property Act of any perpetual lease should not be granted trustee status.

The Hon. Sir ARTHUR RYMILL: I commend the Government for its attitude in this matter. This is something I have been associated with for a considerable time, and I know that most people in the legal profession or in the businesses to which this proposed amendment applies consider there is very little difference between a fee simple title and a perpetual lease from the Crown. I believe this provision applies in a similar or perhaps lesser way in England, where under the Trustee Investments Act (I think I am correct in saying) a lease with not less than 60 years to run can be a trustee security.

Perpetual lease, of course, is what the term implies: it runs forever unless the lessee does something which constitutes a breach of covenant whereby the lease would be cancelled or surrendered. In that case it is always open to the mortgagee of the lease to step in and remedy the defect. Mortgages of leases always contain a covenant to this effect, and even if they did not I imagine that the mortgagee would have this power. The only clause of Crown leases that has given me any worry in regard to this type of security is the personal residence clause that may be a difficult one for a mortgagee to fulfil in certain circumstances. However, I am given to understand that this type of clause will gradually disappear; I understand that such a clause is not enforced these days, nor is it likely to be enforced in the changed nature of things applying to this type of tenure. In any event, if such a clause did create any difficulty in relation to trustee securities I imagine that no Government of the day would allow the security to fall by enforcing such a clause, and of course it would be entirely in the Government's hands whether it was enforced or not.

I know from my business experience that holders of perpetual leases have been at a disadvantage in this relationship inasmuch as they have been unable to borrow money from the lending institutions or private trustees, while holders of fee simple titles have been able to do so. This has been a definite disadvantage to holders of perpetual Crown leases over the years, and I am glad that this position is being rectified. I see no dangers in this in practice as a trustee security, and I am sure this clause will be very beneficial to the holders of perpetual Crown leases, who are very important to the State's economy, especially in the primary producing section and, after all, South Australia is still a large primary producing State and our primary products are very important to us. Assistance to the man on the land is, in my opinion, of the utmost importance to all of us who reside in this State. Therefore, I welcome this amendment and hope honourable members will see fit to accept it.

Amendment carried.

The Hon. Sir ARTHUR RYMILL: I move:

At the end of new subsection (6) to insert "and to the effect that the Auditor-General is satisfied that the rules of the society provide that the right of any member to withdraw the whole or any part of his subscription is subject to the availability of the funds of the society to meet present and future claims by depositors".

I think this is a reasonable request and it does not go to anything like the extent of the amendment I previously foreshadowed. I do not think the Government would be doing any harm in accepting it; indeed, it is designed to further protect trustees who see fit to invest in this type of security. I commend the amendment to honourable members and I add that I understand the policy of the Government regarding this type of security will be to maintain the relativity of interest rates now imposed on this type of security to those of other types of trustee security. I use the word "relativity" because I do not mean to maintain the existence of the present rates; I mean what I say, to maintain the relativity of the present interest rates (or thereabouts) of this type of security, or approximately so, to other types of trustee security, such as land mortgages, bank deposits, savings bank interest rates, and so on—the whole gamut of that type of trustee security.

The reason I am mentioning this is that I believe it is most important for the economic health of the whole community, and particularly the financial structure of the economy. When the Chief Secretary deals with my amendment, I should like to know whether he has any statement to make on this matter or whether he would make a statement on it, because I understand that this may be the policy of the Government. It is not the sort of thing one could or would want to express in the Act, but it would be valuable to have an expression of intention on this matter.

The Hon. R. C. DeGARIS: I agree with the view taken by the Hon. Sir Arthur Rymill on this matter. Honourable members will appreciate that the Trustee Act is one of the most

important of our Statutes. I congratulate Sir Arthur on the close examination he has made of this Bill. I also appreciate his saying that this measure has much to do with the economic health and financial structure of our society. In his second reading speech, Sir Arthur raised several queries, and I now have some information for him. The rate paid for deposit money at call is about only ¾ per cent above that of the private savings banks, and ½ per cent above that of the Savings Bank of South Australia. For fixed-term deposits the societies' rates are only ¾ per cent to 1 per cent above the corresponding trading bank rates. Moveover, the interest rate of the largest society for lending to members (and also after four years to non-members) is at present 6 per cent, or actually ¼ per cent lower than for the private savings banks. I appreciate the undertaking that Sir Arthur Rymill requires. I assure him that, to qualify for proclamation, a society would be required to maintain its deposit interest rates on the present basis relative to savings bank rates. I think that undertaking should assure Sir Arthur on the question he asks. The amendment moved by him is acceptable to the Government.

The Hon. C. M. HILL (Minister of Local Government): Can Sir Arthur, after his close examination of this matter, satisfy me that this amendment will not nullify the effect of the whole Bill? If the rules of the societies now did not include that deposit money took some priority over subscription money and, therefore, had to be altered to satisfy this amendment and if they had to be altered by the consent of the subscribers, I doubt very much whether the subscribers would consent: in other words, they would be reducing their status as claimaints from what might be called a first call to a call subject to that of the depositors. Particularly have I in mind one large and reputable society in South Australia, the Co-operative Building Society, which, I feel, hopes to benefit, as do similar societies generally in South Australia, as a result of this Bill. Would Sir Arthur comment on that point?

The Hon. Sir ARTHUR RYMILL: I welcome the question. It is not often my privilege to be asked a question by a Minister. I have examined this point and the point whether rules could not be altered back once their securities became trustee securities. In answer to the specific questions, let me say that the rules of the society to which the Minister refers already provide to this effect. Indeed, with the assistance of the Assistant Parliamentary Draftsman, I drafted this clause on the lines set out in the rules of that estimable society.

I think other societies already have this rule. If they have not, it is extremely desirable that they should, because a trustee holder is entitled to some backing for his money. Where we are solemnly authorizing a trustee security or authorizing a certain security to be a trustee security, I think in all other cases the Legislature has ensured that there is some backing, some mound of wealth behind the security that will be lost before the trustee loses his money. That is the fundamental principle behind trustee securities, and that is what my amendment attempts to do in that way. I hope the Minister is satisfied with that answer.

The other question was whether, having altered the rules (I am now referring not to that specific society mentioned but to any society that is granted this status), a society might not be capable of altering them back and the trustee, having committed his investments, could do nothing about it. I am assured that this would not be the case. There are certain provisions in the Building Societies Act that could be invoked to prevent this happening. I have no doubt that the Auditor-General in his customary way will see to it that the spirit of this clause is adhered to all the time the trustee securities exist in relation to any society. I thank the Chief Secretary for saying he has no objection to this amendment. With this amendment my qualms about the status of these securities are alleviated and I am happy to support the clause.

Amendment carried; clause as amended passed.

Title passed.

Bill reported with amendments. Committee's report adopted.

RAILWAYS STANDARDIZATION AGREEMENT (COCKBURN TO BROKEN HILL) BILL

In Committee.

(Continued from November 13. Page 2424.)

Clause 4—"Power of Railways Commissioner to carry out work, etc."

The Hon. R. A. GEDDES: I thank the Minister of Roads and Transport for the detail he included in his speech yesterday. Many people in the North have been asking members of Parliament about the route of the standard gauge line: I am referring to both the Port Pirie line and the Gladstone line.

Such people will be greatly helped by the Minister's statement. Before I became a member of this Council, the Commonwealth Railways Commissioner showed me a plan of the proposed routes of railway lines from Adelaide to link with the proposed transcontinental railway system. I was shown a plan for the Peterborough Division, too. That must be five years ago, yet we are still having trouble in obtaining Commonwealth approval to go ahead with the scheme. This is quite ludicrous and it makes me wonder where we are going in relation to Commonwealth and State politics. We should link this problem with the Minister's statement yesterday that South Australian industry will be hamstrung if it cannot get its products to the markets in the Eastern States. The following is portion of a recent article in the *Advertiser*:

The Commonwealth would give consideration to more rail standardization works in South Australia and elsewhere in Australia, the Minister for Shipping and Transport (Mr. Sinclair) said in the House of Representatives tonight.

He gave this undertaking after both Government and Opposition members had urged that standardization should not end with the completion of the Perth-Sydney standard gauge conversion by 1970.

I suggested earlier that the Government should hold back its approval of this Bill to force the Commonwealth's hand. As the Hon. Mr. Dawkins has said, this State needs two projects: the Chowilla dam and the standardization of railways leading out of the State. We have received no co-operation and no evidence of outward thinking from Canberra. I agree that we must allow this Bill to pass, but where will this State go in relation to the whole problem of standardization if it cannot get the Commonwealth authorities to see its point of view?

The Hon. M. B. DAWKINS: I endorse much of what the Hon. Mr. Geddes has said. I, too, thank the Minister for the detailed way in which he dealt with the contributions of honourable members. I repeat that the Chowilla dam (No. 1 priority) and rail standardization (probably No. 2 priority) are vital to this State's development. When I said that I hoped the Government would not press for the whole of the standardization plan if it meant further delay, I did not mean that I was not in favour of standardization. I hope the Government will press for the standardization of the line from Adelaide to Port Pirie and that it will press, too, for the other sections referred to. I also hope that, if the Government cannot get everything it wants, it will continue to press for the vital part of the standardization project—the line from Adelaide to Port Pirie.

Clause passed.

Remaining clauses (5 to 7), schedule and title passed.

Bill reported without amendment. Committee's report adopted.

WHEAT INDUSTRY STABILIZATION BILL

Adjourned debate on second reading.

(Continued from November 13. Page 2415.)

The Hon. A. F. KNEEBONE (Central No. 1): I support the Bill, which extends the wheat industry stabilization plan for another five years. Many attempts were made prior to 1948 to introduce a satisfactory plan for stabilizing the industry, but it was left to the Chifley Labor Government to introduce effective legislation.

The Hon. R. A. Geddes: Did he think of it, or did the wheat industry suggest it to him?

The Hon. A. F. KNEEBONE: It was thought of a long time before that, but the other Governments would not listen to the people who thought of it. John Curtin had promised that, upon election of a Labor Government, such a plan would be introduced. The wheat industry went through a bad time in the late 1930's, the period of the great depression, and many farmers were forced to walk off their properties. However, hardship was not confined solely to farmers, and most of us in this Chamber who are old enough would remember the hardships and sufferings of many people during that time. It became imperative that something be done to assist the wheat industry. The first stabilization scheme of 1947-48 has been described as satisfactory, its principal objective being to iron out the wide variations in incomes of wheat producers from year to year resulting from the violent fluctuations in export prices. At that time the wheat harvest in the Commonwealth was handled by six or seven grain merchants, who had to dispose of their purchases in competition with each other. This competition for sales tended to depress the oversea markets.

Under wheat stabilization, sales of wheat were dealt with on a governmental or semi-governmental level. Under the plan, and with orderly marketing, the industry has been greatly helped over the intervening years since it was introduced in 1948. Much has been done in this State to increase the number of acres under grain production, and this season it has been forecast that the harvest will be a record one,

although I know that some damage has been done in the last few days by rough weather.

The increased harvest will benefit the State greatly, provided, of course, the primary producers patronize the railways as they should. The increased harvest will enable the South Australian Railways to offset some of its losses caused by the reduced harvest cartage of the last year or two.

The Hon. L. R. Hart: Do you think the railways could handle it all?

The Hon. A. F. KNEEBONE: Given the time, it could. Regarding good and bad seasons, it is interesting to note the fluctuating figures of the average yield to the acre in Australia over the last four years. In the 1967-68 season, the yield was 12.2 bushels an acre; in 1966-67, it was 22.4 bushels; in 1965-66, 14.8 bushels; and in 1964-65, 20.6 bushels. The average over the past 10 years was 18.3 bushels an acre.

The average yield to the acre in other countries is interesting. In Canada during the same four years the respective average yields were 19.7 bushels, 27.9 bushels, 22.9 bushels, and 20.2 bushels. In France the figures were 54.4 bushels, 40.1 bushels, 48.6 bushels and 46.9 bushels respectively. In the United States of America they were 25.8 bushels, 26.3 bushels, 26.5 bushels, and 25.8 bushels. In the Union of the Soviet Socialist Republics they were 18.4 bushels, 21.4 bushels, 12.6 bushels and 16.3 bushels respectively. The fluctuations indicate that whatever man does by more scientific farming methods to increase the yield he still relies largely on the elements for his return. The fluctuations I have mentioned would have been caused naturally by drought or semi-drought conditions.

The greatest call is made on this plan when, as a result of good seasons all around the world, the grain-producing countries export greater and greater quantities of wheat. As the Minister has said, this Bill closely resembles the Bill passed five years ago and has for its purpose the continuation of the wheat stabilization scheme. A complementary Bill has been dealt with by the Commonwealth Parliament, and I understand that it passed all stages yesterday. It is therefore necessary, in order to provide for continuity, that this Bill be passed without delay. I know that in the Commonwealth Parliament the Opposition sought to amend the Bill. The proposed amendment was to withdraw the Bill and to have it redrafted to provide for a one-price scheme with home consumption and export prices the same, it being maintained that this would be fairer than the present method, which places much of the burden of the subsidy on the lower income groups by penalizing the large bread-eating families. However, the amendment was not carried, and any move to amend this Bill in that way would probably be useless because, as I said, this legislation is complementary to that passed by the Commonwealth Parliament. I support the Bill.

The Hon. L. R. HART (Midland): I, too, support the Bill. This measure comes before us each five years so that we can have legislation complementary to that already passed in the Commonwealth Parliament. It is necessary that each State pass similar legislation, as the Hon. Mr. Kneebone has said. It was feared that Victoria would not pass such complementary legislation, as it was holding out for a higher price on the export guarantee. However, I understand that it has now agreed to the legislation, and a Bill will be introduced into the Victorian Parliament shortly, if it has not been introduced already.

The present stabilization scheme has existed for 20 years, having been enacted in 1948. A number of attempts had been made during the previous 20 years to bring stabilization to the wheat industry. Indeed, in 1946 a ballot was held among wheatgrowers in Australia to introduce a stabilization scheme on the basis of a guaranteed price of 51c a bushel. This was passed by all States except South Australia, which rejected the proposal. Therefore, it did not come to fruition. A ballot was again held in 1948 on the basis of a guaranteed price of 62c a bushel, and this was carried by all States. We then saw the introduction of wheat stabilization in 1948. The Commonwealth Government at that time was making a concerted effort to build up our oversea reserves: it was realized that some encouragement would have to be given to the wheat industry if it were to make a worthwhile contribution to our export market. Therefore, at that stage we had full co-operation from the Commonwealth Government. In 1948, when the scheme was introduced, although the stabilization price of 62c at that time was the cost of production price for wheat the export price was $2.03.

There are several Acts associated with the Wheat Stabilization Act. There is an Act to set up a fund known as the Wheat Stabilization Fund, and into this fund is paid certain money, including a tax on export. When the export price is higher than the guaranteed

price the tax shall be 50 per cent of the difference between the two and, when there is insufficient money in the fund to meet the guaranteed price, money is paid into the fund from Consolidated Revenue. The tax on wheat at this stage is not to exceed 15c a bushel, and if the growers' payments to the fund exceed $60,000,000 the excess is returned to the growers.

I think we must realize that the wheat industry is a practical demonstration of decentralization. It is probably one of the greatest decentralized industries in Australia, and as such it is entitled to some Government support. Indeed, if we had a secondary industry of the magnitude of the wheat industry we would find that that industry would be given considerable incentive by the Commonwealth Government.

I think we must appreciate also that wheat stabilization has cost the wheatgrower in Australia about $316,000,000. This came about in the early years of stabilization when the wheat producer was guaranteed the cost of production price, which at that stage was about 60-odd cents. During that period the export price was over $2, so the consumers in this country at that time were purchasing wheat at a very great discount, and considerable credit has been built up by those consumers.

The Hon. Mr. Kneebone suggested that there should be a one-price scheme. Of course, this has been suggested by the Labor Party in the Commonwealth and also by the Labor Party in the various States. However, if we look at things clearly we find that the wheat industry is not the only industry that has a two-price scheme. Our dairy products can be purchased more cheaply overseas than they can in Australia. The example of eggs is another glaring one, for eggs on the export market are considerably lower in price than they are on the local market. Sugar is yet another example of a two-price scheme. Also, I believe that dried fruits are purchased at a lower price overseas than they are on the local market.

The increase in the home consumption price of wheat as above the export guaranteed price is very small, and indeed the effect of it will be that the price of a 2 lb. loaf of bread will be only .2c dearer. This, of course, is not likely to be passed on to the consumer.

The Hon. Mr. Kneebone also said that the railways should get a greater share of the handling of wheat. I believe that in the case of a record harvest the railways are given all the wheat they can possibly handle within a reasonable time. The honourable member said that they could handle it if given the time, but of course there is a limit to the amount of time the wheatgrower can be required to keep wheat on his own property; he likes to get it into the terminal so that he can be paid for it. Unless some scheme is devised whereby the wheatgrower can be granted a payment for the wheat prior to his delivering it to the bulk handling facilities, I believe he is entitled to put it into those facilities at as early a date as possible.

I pay a tribute to Mr. T. M. Saint, the President of the Australian Wheatgrowers Federation, who was responsible to a very large extent for negotiating the present wheat stabilization price. Mr. Saint is also Chairman of the South Australian Co-operative Bulk Handling Proprietary Limited.

I believe that South Australia is very fortunate in having a number of export outlets. In fact, it has more bulk handling facility export outlets than has any other State. Indeed, New South Wales has only two outlets at present, and with a record crop in New South Wales if wheat were shipped out from those outlets on every day of the year this would still be insufficient.

There are a number of aspects of this Bill that one could debate at length, for it has a very interesting history. However, as I understand that this is quite urgent and that the Minister requires to get it through, I will conclude my remarks. I support the second reading.

The Hon. R. A. GEDDES (Northern): I am not too sure whether I will support the second reading of this Bill: it will depend on the Minister's eloquence in his reply as to the meaning of the whole Bill. This is a Bill to assist one of the biggest gamblers possible in Australia—the wheat farmer. This is rather brought home to roost when we consider that a few weeks ago it was estimated that there would be a 50 per cent increase in wheat production. However, as a result of the winds we have had this week one can imagine that the yield will be down considerably. We know for sure that it will be down in barley, and I do not doubt that there will be a certain amount of damage to the wheat crop as well. As I say, it is one of the biggest gambles possible in any industry. Therefore, it is most necessary that some form of stability in the price structure should be allowable.

As I understand the Bill, under the previous wheat stabilization scheme the guaranteed price was fixed at the equivalent of $1.44 a

bushel for the base year, that is, for the first year of operation. This was a free on rail price and was based on the cost of production formula that used data obtainable from the Bureau of Agricultural Economics survey of the wheat industry, together with certain other items. The whole formula was based on a yield of 17 bushels to the acre. During the five years of operation of that scheme the annual operations advanced the guaranteed price to $1.64 a bushel.

The cost of production factor in determining what is a fair and equitable price for a wheat farmer is one big problem. As we all know, the primary industry is right at the end of the line.

The Hon. A. F. Kneebone: I thought it was at the beginning.

The Hon. R. A. GEDDES: It is at the beginning and the end: it depends on which side of the fence we are. Today we are considering the problem of cost increases. There is no way of handing on these increased costs in primary industry, but in the wheat industry, because of the sensibility of the various wheat stabilization schemes, at least the wheat farmer has his guaranteed first payment and this is of great benefit to him. Excluding the poultry and dairying industries, the other major primary producing industry, which is the woollen industry, suffers from this problem of being at the end of the line. It is unable, because of its marketing system, to pass on to the consumer the various increases in costs that occur. To quote further the second reading explanation:

The proposed scheme has a base guaranteed price of $1.45 a bushel f.o.b., which is not related to the "cost of production" formula used in the previous scheme but was fixed after negotiation between the Commonwealth and the Australian Wheat Growers' Federation and which has regard to the availability of Commonwealth funds. Annual variations up or down are provided for and the variations are to be based on producers' cash cost movements, together with an allowance in respect of the interest on notionally borrowed capital. It is obvious that the annual variations under the proposed scheme will be less than the annual variations under the previous scheme since more items are included in the "cost of production" formula than are represented by cash costs and interest on borrowed capital.

The Hon. L. R. Hart: There is no margin of profit allowed in the guaranteed price, is there?

The Hon. R. A. GEDDES: There is a lessening of the margin of profit and that margin can only be obtained today by the efficiency of the farmer, the efficiency of his equipment, and the luck of Dame Fortune in the way the season falls.

The Hon. L. R. Hart: There never has been a margin of profit allowed in the guaranteed price, has there?

The Hon. R. A. GEDDES: That is a matter of opinion. I have always considered a small margin of profit was allowed under the old scheme.

The Hon. L. R. Hart: There never has been.

The Hon. R. A. GEDDES: It was not phrased that way, but I think there was a figure that made allowance for it.

The Hon. A. F. Kneebone: It was not named.

The Hon. R. A. GEDDES: That is so, but this formula, as I see it, is designed possibly to prevent an increase in the excessive acreage being sown in the Commonwealth. This is brought about by several factors; one is the ability of the Commonwealth Treasurer to meet the bill; another is the problem of the Australian Wheat Board to sell the product overseas; and the other factor, which I imagine would be a minor one, is the problem of storing excess quantities of grain in Australia.

It must be remembered that overall the problem of the increased acreages of wheat has been brought about by problems arising from the price of wool and the fact of the thousands and thousands of square miles of country in north-west New South Wales and in Queensland, ideal for the production of wheat, which in the past has been used by the woollen industry almost exclusively. They have changed their form of production.

The Hon. A. F. Kneebone: Are they doing this because of the greater profitability?

The Hon. R. A. GEDDES: As I was trying to explain earlier, there has been a fall in the price of wool; whilst there is this fall and at the same time stability in the cost of production of wheat then there must be a changed point of view. I often wonder how many agriculturists who have considered converting from wool to wheat production really look at costs of production and the changeover costs. That is one of the big difficulties of primary industry today: trying to equate costs of production relative to the property concerned and in relation to the overall price available.

I was interested to note in the newspapers recently that the Minister of Agriculture was tendered a dinner by a group of accountants forming a division within their own profession.

They are looking into the costs of the agriculturists as a whole within the State. This will help the farmer but that help is coming slowly. Unfortunately, so often he has to make a decision; probably his banker helps him to decide one way or the other, but eventually it is his own problem to decide whether to make a changeover. Returning to my earlier reference, I understand the Commonwealth Government has brought this different price structure into the wheat stabilization scheme in order not to encourage planting of excessive wheat acreages in Australia. I do not think the comment about excessive acreages of wheat could apply to South Australia. There is continued expansion of cropping on Eyre Peninsula, but I do not consider it to be an excessive type of expansion.

The Rt. Hon. Mr. McMahon made some pertinent comments, quoted from Commonwealth *Hansard* by the *Australian*. Mr. McMahon forecasts a painful period of adjustment for farmers as they meet the national need to produce goods that could be sold profitably on the world market. He implied the elimination of the small farmer and said farming seemed likely to become increasingly a large scale business operation. I add a comment on this problem of the change from one type of production to another, and I query the merits of changing from small farm ownership or operations to large farm operations. I admit I am not an economist, and many factors must be considered that do not immediately come to mind.

It seems to me to be a step in the wrong direction if we return to the period when this State was first colonized and opened up for agriculture. At that time the only people who could do this were those who could hold, own, operate, and manage large tracts of land. As the State grew, legislation was introduced directing everyone who owned a certain acreage to grow a certain percentage of wheat; those who could not do this had to get rid of their land. This allowed the little man to come in, and that has been the pattern ever since. When I say the "little man" I refer to those who hold 1,000 acres or under; they were the people who opened up the country about 100 years ago. I am speaking of the areas north of Clare and also the better parts of Eyre Peninsula. Wherever that type of farmer has been able to operate, those who have farmed well have done well, while those who have fallen on stony ground have suffered. Others have bought the latter properties in order to expand or other people again have taken them over.

The system that has operated has survived one of the worst depressions this country has seen (and I hope we will not see one like it again) and has survived the many droughts South Australia is noted for. That is typical, because we are the driest State in the driest continent in the world. The economic returns from agriculture have always been variable. It is only good farmers who have been able to succeed, and the South Australian farmer is recognized as one of the finest in Australia because he has had to battle against all the elements. Those who have succeeded have succeeded well, and that is why I say it is wrong that we should be getting this type of thinking from a Commonwealth sphere suggesting that there should be larger farms. Mr. McMahon said farming seemed likely to become increasingly a large-scale business operation, but there are intangible things tied up with that statement. Later in this same statement of the Commonwealth Treasurer we see this underlined, that it is the Commonwealth Government's intention to discontinue financial support to rural industries with no prospects of standing on their own feet: it is up to the producer and he has got to take whatever action is possible to overcome the difficulties facing the agricultural community. I wonder what the Commonwealth Treasurer would say if some of his industrialists were to agree that some preferences on the importation of goods should be similarly reduced, that the farming industry would have to do certain things but other industries would come out of it scot-free? I was pleased to hear the Hon. Mr. Kneebone support this Bill and shed his crocodile tears for the primary producer. It was good to hear that.

The Hon. D. H. L. Banfield: He was sincere.

The Hon. R. A. GEDDES: I ignore that interjection, that he was sincere, because only three years ago we were worried about taxation, about the problem of coping with increased succession duties, which would have hit the primary producer harder than most.

The Hon. L. R. Hart: And we were talking about living areas, too.

The Hon. R. A. GEDDES: Yes, and would not that have been a bonanza for succession duties, with larger holdings! There was also a small point that we discussed about grower co-ordination in respect of which there were

no crocodile tears in those days; there were no tears at all for the farmer.

The Hon. A. F. Kneebone: The crocodile tears then were on the other side of the Chamber.

The Hon. R. A. GEDDES: But the tears were sincere.

The Hon. D. H. L. Banfield: And there were stamp duties.

The PRESIDENT: Order!

The Hon. R. A. GEDDES: There is an estimated increase of 50 per cent in the wheat yield of the State. South Australian Co-operative Bulk Handling Limited has done a good and efficient job over the years it has been in operation in bringing about a better and cheaper form of handling grain products.

The Hon. D. H. L. Banfield: You do not have to say that.

The Hon. R. A. GEDDES: I am a member of the co-operative and I think there is much merit in it.

The Hon. A. J. Shard: Do not let honourable members upset you.

The Hon. R. A. GEDDES: As the Council knows, I have asked two questions about this. How will the farmer get in his grain and get payment for it?—because naturally enough he will not get payment until the grain has been weighed in. Will it be that the farmer must expect to hold his grain on his own property? We have the problem to face that farms in the early ripening districts gather in their grain before the properties in the late ripening districts have a chance even to get their headers into the paddock. Many points need consideration. I appreciate the assurance the Minister gave me yesterday on this, that the directors of Co-operative Bulk Handling Ltd. are looking at this matter and there is to be a meeting of growers in Adelaide today, I think it is. If it is thought that the farmer should be able to hold his grain and deliver it when the silos are available, the Agriculture Department could well give some sound advice to the farmer holding his grain *in situ*. It has had some excellent articles on this problem but I am afraid it will have to be written in letters of gold for everybody to appreciate the problems involved.

Then there is the problem of the weevil. Does the farmer store his grain, which is then affected by weevil and has to be treated for weevil when he takes it to the silos? The whole problem of grain storage is new to farmers in South Australia, although it is not new to farmers in other States. There should be a concerted effort by the Agriculture Department to tackle this problem. If zoning or having percentage deliveries of grain is impracticable or cannot be worked out, let us see through the excellent offices of the Agriculture Department that the grain is kept in the best possible way. I am worried; what will happen to the farmer who stores his grain for three months on his property and then finds it has weevil in it?

The Hon. A. J. Shard: Or a mice plague.

The Hon. R. A. GEDDES: A mice plague is obvious: one can see a mouse coming but one cannot quite see a weevil coming. It is insidious. If the farmers in the late ripening districts have a large quantity of grain at home suffering from weevil, they will incur a financial loss that will reflect harshly on a large section of the community, particularly when it is remembered that the season before last was below average in many parts of the State. I support the second reading of this Bill.

The Hon. M. B. DAWKINS (Midland): I support the Bill; I have no doubts about it. I am surprised that the Hon. Mr. Geddes had some doubts whether he would support the second reading. He would be the only gentleman in South Australia who had any doubts about this. I would be indeed foolish to say that the Bill is all that is desired or desirable. Nevertheless, it is an urgent measure. Stabilization in the wheat industry has been in operation, as has been said, for nearly 20 years. By and large, it has been most successful and has stabilized effectively a large industry important to the economy of the country. Reference has been made by two honourable members to the large harvest with which we are faced in South Australia, and indeed in the whole of Australia, today. The Minister of Agriculture gave some figures in this Chamber recently that envisaged a 50 per cent increase in yield this year. They were figures given by a trusted and highly experienced member of the department whose estimates over the years have been remarkably accurate in view of the many figures with which he has had to deal.

Some reference has also been made to the damage following the recent rough weather and high winds. While there may well have been some damage in the early ripening districts, nevertheless most of it would be in the areas growing barley, where there would be large quantities of barley on the ground, and crops of oats in the early ripening districts would be largely shattered. There are some great problems associated with the gathering

of this harvest, to which other honourable members have referred, and which I do not wish to dwell upon now, but I should like to join in paying a tribute to South Australian Co-operative Bulk Handling Limited for the unbelievably successful job it has done not only in recent years but over a period to set up this State's bulk handling system.

Over the next two or three months many people, when they experience problems, may forget the splendid job it has done, but they should not do so. Some reference was made to the previous scheme, under which the guaranteed price was $1.44. It was advanced over five years to $1.64. The proposed guaranteed price is now $1.45, which is not really related to the cost of production. As other honourable members have said, there is no real profit margin. However, there must be some steadying up of the tremendous expansion that has taken place in this country over recent years, particularly in New South Wales and Western Australia and to a smaller extent in South Australia. I do not believe the scheme is ideal, but four-fifths of a loaf is much better than no bread. This Bill implements a scheme that, while not being ideal, will suffice for the next five years. I support the Bill.

The Hon. A. M. WHYTE (Northern): I share with the Minister the view that the passing of this Bill is essential and urgent. I agree with the Hon. Mr. Hart and the Hon. Mr. Dawkins that this scheme is perhaps not all that is necessary, but I do know that we have much faith in the Australian Wheat Board. Because I believe it has negotiated to the best of its ability on behalf of the wheatgrowers, I am prepared to accept its recommendations and I support the Bill.

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

ABORIGINAL AFFAIRS ACT AMENDMENT BILL

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

AGED AND INFIRM PERSONS' PROPERTY ACT AMENDMENT BILL

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

OATHS ACT AMENDMENT BILL

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

PRICES ACT AMENDMENT BILL

Second reading.

The Hon. R. C. DeGARIS (Chief Secretary): I move:

That this Bill be now read a second time.

Its object is to continue the operation of the Prices Act for another year from the present expiry date fixed by the amendment to the Act last year at December 31, 1968. The present Act has continued in operation since 1948, and there can be no doubt that it has, in varying degrees, been of substantial benefit to people of South Australia, more especially during those periods when the supply of goods and services was limited, and, as a consequence, there were strong pressures for prices to rise to a degree which could have endangered the ability of South Australian industries to compete successfully in interstate markets.

The growth of the State's industries and the resultant plentiful supply of goods and services has introduced a strong element of competition into many of the fields in which price control has operated. It is the Government's policy to remove controls upon people, industry, or commerce where such controls are not essential in the public interest. Therefore, it has taken action to remove price control upon certain goods. It has also instructed the Prices Commissioner to refrain from fixing prices in respect to other goods and services, on an experimental basis, while retaining a watching brief on price movements in these categories. The Government proposes, however, to extend the Act for a further year, so as to enable it to bring back under control any items where competition does not continue to freely operate, or to again fix prices on those items now held in suspense, if in the public interest it appears necessary.

In addition, the Government will retain control over a number of items that constitute basic needs by groups or individuals, some of which are an important part of the household budgets of people who are obliged to carefully plan for their essential needs, and some are items of considerable importance to rural industries. We also propose to continue control of petroleum products, for which items the South Australian Prices Commissioner is recognized as the Australian authority. In addition to these responsibilities, the Prices Commissioner exercises other important functions. For example, he fixes the price of grapes. The industry desires this to continue and the Government has given an undertaking to growers accordingly. The Commissioner acts as a complaints investigator and arbitrator in

the interest of the public over a wide range of matters, and for the year ended June 30, 1968, the office investigated 845 complaints of excessive prices or charges. This service is both remedial and deterrent. He also undertakes special investigations for the Government, such as suspected rackets, unfair trading practices and misleading advertising. The extension of the operation of the Act for a further year will enable these services to the public to be continued.

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

CATTLE COMPENSATION ACT AMENDMENT BILL

Second reading.

The Hon. C. R. STORY (Minister of Agriculture): I move:

That this Bill be now read a second time.

Its purpose is to resolve a somewhat anomalous situation which has arisen in relation to the sale of carcasses by organizations which buy cattle for slaughter. In the past these organizations generally sold these carcasses in a broken-down state and this sale did not attract cattle stamp duty under the Act. However, there is a growing practice of selling whole carcasses to butchers, and as the Act is at present framed this sale of whole carcasses attracts duty.

The proposed amendments exempt sales in these circumstances of whole carcasses from duty and in addition relieve the organization from the liability to make returns in relation to these sales, but as a corollary impose on the organization the onus of demonstrating that in any particular case duty under the Act is not payable.

The Hon. S. C. BEVAN secured the adjournment of the debate.

TEXTILE PRODUCTS DESCRIPTION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from November 13. Page 2417.)

The Hon. A. F. KNEEBONE (Central No. 1): I support the second reading. The purpose of the original Textile Products Description Act, which was introduced in 1934, was to protect the wool industry from competition from synthetics and to protect the public from shoddy substitutes for wool. However, because of its technical difficulties the original Act was found to be unworkable, and a new Act, which was introduced in 1953, proved workable. The purpose of this amending Bill is to bring the provisions of the Act into line with accepted practice in most countries of the western world. Although the Minister mentioned four or five countries to which this does not extend, action is being taken in those countries to bring them into line with the proposed amendment.

It is interesting to note that we are dealing with two Bills this afternoon that are designed to assist and protect primary producers, and that in both cases the original Acts were added to the Statutes of the State when a Labor Government was in office in the Commonwealth sphere.

The Hon. R. A. Geddes: At the request of the industry.

The Hon. A. F. KNEEBONE: Yes, admittedly at the request of primary producers. I find it strange that it was so long before something was done to assist primary producers, especially in view of the importance to this country of both wool and wheat. However, nothing substantial was done in relation to wool until 1944, or until 1948 in relation to wheat. I examined in *Hansard* the debate on the two previous occasions, and I noticed that most members, although they did not speak for any great length on the Bills, stressed the need to protect the public from shoddy articles which were being foisted on them as wool but which proved not to be wool. It surprises me that we had to wait until 1944 before something was done, when a Labor Government initiated this sort of action. Last year, in my capacity as Minister of Labour and Industry, I attended a conference of the Ministers of Labour of all the States. The conference considered this matter, and subsequently a conference of all Ministers of Agriculture also considered it. Both these conferences supported what is being done by this Bill.

It was interesting to me when I became Minister of Labour and Industry to find that, although the heads of the Labour and Industry Departments in all the States met under the chairmanship of the head of the Commonwealth Department of Labour and National Service, the Ministers did not meet. Because I thought that was completely wrong, I initiated the first meeting of the Ministers of Labour and Industry. I think it is essential that the Ministers from the various States meet on matters of mutual interest.

A relaxation is proposed regarding the labelling of articles as wool, or labelling to show the actual fibre content, and it is expected by the body recommending the amendment (the Wool

Board) as well as the Ministers of Agriculture, that this will result in the sale of more wool. If that is so, I think the Bill deserves the support of all honourable members.

The second matter covered by the Bill concerns the labelling of carpets, and this has apparently become necessary because of developments within the carpet-making trade resulting in changes in the method of manufacture. Technological changes in all spheres of human endeavour are causing us to change our outlook on various matters and to look more closely at our Statutes and amend them when necessary in line with our changed outlook and circumstances. I do not think it is necessary for me to speak at any great length on this Bill, which I think will be of assistance to the wool industry. For that reason, I support the second reading.

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

STAMP DUTIES ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from November 13. Page 2418.)

The Hon. S. C. BEVAN (Central No. 1): I oppose the Bill. This is the second Bill to be brought before us dealing with increased taxation. This proposal is one of the most iniquitous forms of taxation that can be imposed on a section of the community, for as it is a contribution towards the maintenance and upkeep of Government hospitals and Government-subsidized hospitals it relieves the Government of its responsibilities in this direction.

During this session of Parliament we have already had Bills increasing taxation, and there are more to come. All of these measures will have a considerable impact on those persons who can least afford to bear the increased imposts. This Bill is no exception. The vast majority of the people who own motor cars are working class people, for a motor car is no longer a luxury but an absolute necessity.

The excuse given for this legislation is that this form of taxation is levied in other States. However, that is no reason why it should apply here. The taxpayer is already paying taxes towards the upkeep of hospitals, and recently hospital charges have risen again. One reason given for this was that charges were lower in this State than they were in other States.

I consider that the primary reason for increased hospital charges is that because people can now insure against hospitalization the Government has hopped in for its chop. This has the effect, of course, of increasing contributions to hospital funds, as has happened on a number of occasions. People insure themselves with one of the hospital and medical benefit funds as a safeguard against possible future hospital expenses, and because of this we find a tendency for hospital charges to increase.

The reason given for this Bill is that, as road accidents are increasing and more people involved in accidents are requiring hospital treatment, motorists should pay an additional fee irrespective of whether or not they were the cause of accidents. Therefore, every motorist has to contribute towards the upkeep of hospitals in these circumstances. The present charge for accident victims at Government hospitals is $12.50 a day, which on a weekly basis is $87.50. This compares more than favourably with the $10 a day or $70 a week for patients in the general wards of Government hospitals.

In addition to these charges, profits from State lotteries and contributions from the Totalizator Agency Board go into the hospital funds. Now it is proposed that the motorist will be charged an additional tax, which will be paid to these funds. If we keep going in this way the time will come when the Government will make no contribution at all from general revenue towards hospitals. The ironical thing is that no additional moneys will be paid into the hospital funds as a result of this increased taxation. In fact, less money will come from general revenue towards hospitalization. If this money was additional money going into the hospital funds, possibly my opposition to the Bill would not be as strong as it is.

Already 1 per cent stamp duty is levied on new registrations and re-registrations of motor vehicles, and this is paid into general revenue. This tax is based on 1 per cent of the valuation of a vehicle at the time of registration or re-registration. This tax has a recurring effect. When a vehicle is sold and re-registered, it is taxed on the same basis. Thus not only is the registration on a new vehicle affected by the 1 per cent impost on the valuation of the vehicle but also every time that vehicle is sold there is a recurring impost of 1 per cent of its valuation at that time.

Now this additional impost is placed on motorists. In addition, a further increase in third party insurance has been forecast. It is expected that third party insurance for private vehicles will increase to more than $30 despite

the considerable profit made by insurance companies on comprehensive policies. With regard to third party insurance premiums, I think the Insurance Premiums Committee should examine the profit being made from comprehensive policies by insurance companies and that it should consider offsetting this against the proposed increase in third party insurance. However, that is not done.

The Hon. R. A. Geddes: Did you see a report of the loss incurred on third party insurance by the Government insurance office in Victoria?

The Hon. S. C. BEVAN: Yes, and I also saw the report of the profits that that insurance office made from comprehensive insurance. The motorist is being used as a milking cow, and there seems to be no end to the burden placed upon him. I think this will continue when increased taxation is considered. It seems that because a person owns a motor car he is regarded as a source of taxation and good hunting; it seems he will have to contribute more and more. I have never approved of sectional taxation, and I have opposed it on many occasions. That is another instance of a sectional tax on motorists.

About 440,000 motor vehicles are registered annually in South Australia, and of that number about 5,000 are exempt from registration fees, leaving a total of 435,000. Using the latter figure as a base, and without taking into consideration probable additional registrations at $2 a head a year, the proposed new tax will add $870,000 to Treasury funds. I admit that under the provisions of the Bill the amount I mentioned would be paid into hospital funds, but the actual effect is that it will relieve the Treasury from contributing $870,000 towards hospitals. In other words, $870,000 will be available for other purposes. If this practice is continued, the Government will eventually be free of any Treasury allocations for hospitals.

The Hon. G. J. Gilfillan: We found the same thing with the lottery, didn't we?

The Hon. S. C. BEVAN: The lottery in this State has taken on exceedingly well—far beyond expectations. A large sum of money has been paid from its profits into hospital funds.

The Hon. G. J. Gilfillan: This, in turn, relieves hospital funds, doesn't it?

The Hon. S. C. BEVAN: Yes, it does.

The Hon. D. H. L. Banfield: That money would have been going to other States but for the Labor Government.

The Hon. S. C. BEVAN: What I am complaining of is the additional tax placed upon motorists, one section of the community, in order to relieve the Government of its responsibilities to the extent of $870,000 a year.

The Hon. C. R. Story: What is the honourable member's alternative?

The Hon. S. C. BEVAN: If we are in the bad position we are led to believe we are in concerning hospital accommodation, buildings, and maintenance (as we were told when hospital charges were increased recently) then the burden should be placed on the whole community, not just a section. I suggest that the $870,000 that will be forthcoming from this tax should be an additional amount paid into hospital funds rather than that it should relieve the Treasury of the responsibility of paying a similar amount. The Treasury should still make the same contribution as it now makes and this extra money should also be paid into hospital funds, because that is its purpose. It should be an additional amount to ensure that hospitals will be able to meet their obligations better than they do today.

The Hon. C. R. Story: The same amount of money would be necessary, wouldn't it?

The Hon. S. C. BEVAN: The same amount should be available from the Treasury.

The Hon. C. R. Story: Do you think it would be more equitable if we placed a tax on wages?

The Hon. S. C. BEVAN: The Government would be in strife if it did that.

The Hon. C. R. Story: It would be more equitable, though, wouldn't it? That is what you are asking for.

The Hon. S. C. BEVAN: It has been suggested that, as such a tax has been imposed in Victoria, it should be imposed here. If a Bill of this nature comes before us, it will not be taken the way it was taken in Victoria. Another concern I have regarding the proposed taxation is the impact it will have, along with other measures of increased taxation, on pensioners. Some may say that if a pensioner can afford a motor car he should be able to afford an additional $2 a year. However, to a considerable number of pensioners a car is a necessity as a means of transport. In most instances of this kind the car is an old model, and the owner could not afford to trade it in on a better car or buy a new car because of a lack of finance. This could not be done even with the help of hire-purchase because of the inability of the pensioner to meet commitments to a finance company. Such people have to keep their old vehicles, because they

are a necessity. Many pensioners cannot use public transport because of their circumstances, and if they tried to sell their car the price would be negligible; they keep the car because they really need it. All pensioners are not exempt. The schedule provides that a person who has lost one leg or more shall be exempt. There are other exemptions, including service pensioners, but the age pensioner is not exempt. The schedule should go a little further and at least exempt the pensioner who is entitled to concession fares on public transport. If it did, the Government would not lose much money but it would mean much to these people who rely upon motor cars for transport. If the second reading is passed, I intend in Committee to move an amendment to clause 9 so that at least pensioners entitled to concession fares on public transport will be exempted from this stamp duty upon third party insurance policies. This is eminently a Committee Bill; I shall have more to say about it in the Committee stage.

The Hon. JESSIE COOPER secured the adjournment of the debate.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from November 13. Page 2419.)

The Hon. S. C. BEVAN (Central No. 1): This Bill is closely linked with the Bill we have just dealt with, the Stamp Duties Act Amendment Bill. I do not want to reiterate what I have already said on this matter. For the reasons I have already given this afternoon, I oppose this Bill, too. If it is passed, it will have a big effect on the State's economy, as the Government will discover before long. If this Government had to face the electors tomorrow, it would not get a mandate. As this Bill is complementary to the Stamp Duties Act Amendment Bill, I reserve any further remarks I may have until we reach the Committee stage.

The Hon. C. D. ROWE secured the adjournment of the debate.

ELECTORAL DISTRICTS (REDIVISION) BILL

Adjourned debate on second reading.

(Continued from November 13. Page 2420.)

The Hon. G. J. GILFILLAN (Northern): I support this Bill, the purpose of which is to authorize an electoral commission to draw up new boundaries for the Assembly districts of the State and, to a lesser extent, for the Legislative Council districts. I do not believe any honourable member questions the need for some redistribution, not only of electoral boundaries but also of the proportion of seats between country and metropolitan area. However, we have before us a sweeping change in principle from what has applied in the State throughout the whole history of its self-government. South Australia is a State that in common perhaps with Western Australia and Queensland has peculiar problems, in that it has a large concentration of population in the metropolitan area, a lesser concentration in some country industrial areas, a large part of the State sparsely populated, and a large area still under development. This has caused changing problems of population. In the last 20 years we have seen a vast increase in population in the metropolitan area and a much smaller rate of increase in the non-metropolitan areas. As I say, we have before us a sweeping change, in that this legislation will alter considerably the composition of our Parliament.

I was pleased to hear the Hon. Mr. Shard agree that there should be some difference in loading between country and city representation. The interests of those people in the sparsely populated areas can be met only if they have an effective voice in this Parliament. Many people in the metropolitan area and metropolitan members of Parliament have a sincere sympathy for the problems facing other portions of the State, but this in itself is not enough: it requires also a real understanding of those problems so that the whole State can be truly represented. One popular cry of the last few years has been "one vote one value", but that has been modified somewhat recently. We now hear statements about one vote being of the same value as another, and also statements that one vote should have a slightly different value from another. It is very hard to put an actual value on a vote because under our electoral system those who vote for a losing candidate can say with some justice that their votes had little value. If we carried this to the extreme, the votes of a large percentage of the population would be virtually wasted. However, the question before us is to effect a fair redistribution of electoral boundaries throughout the State. I would have been happier if the Government, when introducing this Bill in another place, had kept to its election promise of 45 seats, not 47.

The Hon. D. H. L. Banfield: The Government did not get a mandate for that, did it?

The Hon. G. J. GILFILLAN: What is a mandate? I think it is fair to say that there is a mandate for some redistribution of electoral boundaries.

The Hon. D. H. L. Banfield: Fair enough.

The Hon. G. J. GILFILLAN: The Government of the day at one stage put forward a proposition for 45 seats, which was a sweeping change from what this State had since the beginning of self-government here.

The Hon. A. J. Shard: I do not know whether it was.

The Hon. G. J. GILFILLAN: In the beginning of self-government in South Australia there were quite sweeping differences. The State prospered during the operation of a system under which country areas, for electoral purposes, were loaded. Fortunately, we have had benevolent Governments but even with the best of good will we find that more facilities that make life pleasant exist in the larger population centres, despite the alleged reduction in the value of votes in these centres. In fact, development follows population. Although it has been argued that people in remote areas have votes of greater value than people in more closely settled areas, it is still true that people in the former areas lack many of the amenities that the metropolitan area and the larger country towns take for granted.

The Hon. A. F. Kneebone: Conditions have improved in the country.

The Hon. G. J. GILFILLAN: Yes, but they never catch up. Surely every honourable member will agree that the pressure of concentrated population results in the bigger towns gaining these amenities. In the Northern District, which covers 93 per cent of the area of the State, there are many districts that are still largely undeveloped. Even some of the more closely settled areas lack certain amenities. One of the most important of these amenities is education. It is still true to say that there is only a limited number of schools outside the metropolitan area where students can matriculate. The standard of new schools in the developing metropolitan areas is much higher than those in many parts of the State. Many of the facilities provided by the Government in new schools must be provided by parents in older schools.

The Hon. D. H. L. Banfield: What about the size of classes in the country compared with the size in the metropolitan area?

The Hon. G. J. GILFILLAN: This varies from school to school. Water is another essential amenity. There are still large areas where there is no reticulated water supply and no sealed local roads, although they may have sealed main roads. I am speaking particularly of the North of the State and Eyre Peninsula. Great strides have been made in sealing main highways, but many people live from month to month without driving on a sealed road while working on their properties and visiting shopping centres. Radio reception is not good in large areas of the State, and there is certainly a large area where television reception is almost impossible. These amenities are taken for granted by many people in the State.

The Hon. D. H. L. Banfield: They are paid for by the people.

The Hon. G. J. GILFILLAN: They are paid for by all the people in the State.

The Hon. D. H. L. Banfield: There is a bit of a subsidy on country water, isn't there?

The Hon. G. J. GILFILLAN: It is also true to say that water is sold below cost in the metropolitan area, but this has nothing to do with the Bill now before the Council. I maintain that there is a big difference between the problems of representing country electoral districts and the problems of representing metropolitan districts. There are more problems in the sparsely populated areas. As members we all know that, in the final analysis, numbers count in Parliament.

The Hon. A. J. Shard: Numbers did not count for us.

The Hon. G. J. GILFILLAN: In his speech on this Bill the Hon. Mr. Shard acknowledged that some difference was needed but he questioned the 10 per cent variation in the metropolitan area and the 15 per cent variation allowed in the country.

The Hon. A. J. Shard: That will be the undoing of your Bill.

The Hon. G. J. GILFILLAN: There is a far greater variation in conditions in the country compared with the metropolitan area.

The Hon. D. H. L. Banfield: Did that make a difference of 45 per cent?

The Hon. G. J. GILFILLAN: No. The rural areas cover the sparsely populated districts such as Eyre and Frome, one of which is held by the Australian Labor Party, the other by the Liberal and Country League. In contrast, we have the closely populated country cities such as Whyalla and Port Augusta. On the other hand, there are the closely settled irrigation centres along the Murray River. We

have a need for a greater variation in the population in country electoral districts to give proper representation.

Finally, the Leader of the Opposition in his second reading explanation indicated that he proposed to introduce amendments to sections 7, 8 and 9 of the principal Act. He did not indicate what those amendments were, but these clauses deal with the definition of the metropolitan area and the percentages, which are an operative part of the Bill. I would strongly oppose any attempt to lessen still further the country weighting in any redistribution proposals.

The Hon. JESSIE COOPER secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL (No. 1)

Adjourned debate on second reading.

(Continued from November 13. Page 2422.)

The Hon. A. F. KNEEBONE (Central No. 1): I oppose the Bill because it appears that the Premier and the Treasurer intend to go not all the way with L.B.J. but all the way in emulating their colleagues in Victoria—

The Hon. R. C. DeGaris: And Tasmania.

The Hon. A. F. KNEEBONE: —in imposing increased taxes and charges. The difference between Victoria and Tasmania is that more charges and taxes have been levied in Victoria than in Tasmania.

The Hon. G. J. Gilfillan: But this Bill is more like the Victorian Bill than the Tasmanian one.

The Hon. A. F. KNEEBONE: When introducing the Bill into this Chamber the Chief Secretary referred to similar taxes that have been imposed by the Victorian Premier, Sir Henry Bolte. Earlier in the year, when forecasting this impost, the South Australian Premier said that if he was unable to get the Prime Minister to meet the State Premiers, and if additional funds were not made available to the States by the Commonwealth Government as a result of such a meeting, he would have to extend the stamp duty now being imposed by this Bill to wages and salaries, as was done in Victoria by Sir Henry Bolte. In the last few days we have all seen the announcement by the Prime Minister that he has refused to meet the Premiers and, if we are to believe the Premier of this State, we can now expect a move in the near future for the extension of this tax to wages and salaries. Indeed, the Minister asked my colleague, the Hon. Mr. Bevan, whether he thought this was a good idea. Therefore, the Government must intend to do this.

The Hon. A. J. Shard: Another stamp duty was introduced in another place.

The Hon. A. F. KNEEBONE: Yes. The matter of Commonwealth-State financial relationships has pronounced signs of deep rifts and tensions throughout the Liberal Party. Indeed, in recent months a major rebellion has been led by the Liberal Party Premiers against the Liberal and Country Party Coalition Commonwealth Government. Of course, this is causing considerable panic and embarrassment to the Commonwealth Government. The two ringleaders in the rebellion are the Liberal Premiers of New South Wales (Mr. Askin) and Victoria (Sir Henry Bolte), and Mr. Hall in South Australia is tagging along behind. The argument for more money has deteriorated into what I regard as a mud-slinging match between the Premiers and the Commonwealth Government. The Victorian Premier has said:

> The Commonwealth has pulled a confidence trick on the States by forcing them to impose their own taxes. The so-called smart move of retaining popularity by not increasing Federal taxation is going to rebound very seriously on the Commonwealth.

The South Australian Premier, Mr. Hall, has said:

> The States cannot indefinitely concede to the Commonwealth a complete monopoly of all forms of income tax if it does not offer adequate alternative resources.

Judging by those statements, we can look forward with certainty, in addition to the almost endless succession of imposts since this Government came to office, to even further imposts in the near future. The tremendous feeling that exists against the Government, to which the Hon. Mr. Bevan referred this afternoon, is indicated by the number of people who approach Labor members both in this and in another place and keep on asking, "When is it likely that another election will take place so that we can be given an opportunity to correct the mistake we now realize we made?"

The Hon. C. M. Hill: You are not expecting us to believe that, are you?

The Hon. A. F. KNEEBONE: The Minister need only be with us to hear these approaches, when people ask us when they are going to be given an opportunity to have another crack at the present Government.

The Hon. R. A. Geddes: And when do you think the next election will be?

The Hon. A. J. Shard: That is up to you people.

The Hon. C. M. Hill: We were elected for a three-year term.

The Hon. D. H. L. Banfield: You were never elected.

The ACTING PRESIDENT (Hon. Sir Norman Jude): Order!

The Hon. D. H. L. Banfield: There is a difference between grabbing and being elected.

The ACTING PRESIDENT: Order! Interjections are out of order. The Hon. Mr. Kneebone.

The Hon. A. F. KNEEBONE: We saw recently that, unlike his predecessor (Sir Thomas Playford) in the previous Liberal Administration, the present Premier ran out of ideas. He advertised that he would like the people of this State to get in touch with him and give him some ideas regarding the development of this State. We have not heard anything about the replies he received, but I would wager that the majority of those replies were to this effect: "Get out and give us a Labor Government; you don't deserve to be there."

The Commonwealth, in reply to the attack by the State Premiers, has accused the Liberal State Governments of jumping on the bandwaggon and bringing in every tax they could possibly think of in the hope that the public would blame the Commonwealth Government rather than the State Governments for the various tax increases being levied by the States. Although I do not often agree with the Liberal and Country Party Coalition Commonwealth Government, I agree with it on this occasion. This State Government is applying every type of taxation it can think of in the hope that either the previous Labor Government or the Commonwealth Government will be blamed.

With this split within the Liberal Party it is easy to see why the Prime Minister soon crumbled under the pressure applied by the Democratic Labor Party and was not game to face the electors this year. It was a fine example of the tail wagging the dog, the D.L.P. being the tail, of course. We heard that the Liberal members of the New South Wales Parliament refused to campaign for L.C.P. candidates at a Commonwealth election unless the State received a better financial deal from the Commonwealth, and in Victoria the Liberals decided to oppose some of the sitting Country Party members for the Commonwealth Parliament. This indicates how divided is the Commonwealth coalition. It is no wonder that there was no election.

We also have the experience in this State of a divided Cabinet and of Liberal members voting against each other on policy matters. I only have to instance what happened yesterday when we heard the Chief Secretary speaking so vehemently against the view of his Leader, the Premier, in another place. After the past experience of people who have bucked the L.C.L. Party machine, one wonders what will happen to some of these local members when pre-selection time comes around.

The Hon. R. C. DeGaris: At least all the financial members will get a vote on it.

The Hon. A. F. KNEEBONE: It is interesting to hear some of the Liberal members referring to their pledge to support Liberal policy.

The Hon. R. C. DeGaris: There is no pledge.

The Hon. A. F. KNEEBONE: A certain member in another place said he was bound to support Liberal policy and that was why he did not agree with his Premier.

The Hon. R. C. DeGaris: The word is "principle", not "policy".

The Hon. A. F. KNEEBONE: The tax this Bill introduces will affect every household in this State. Those least able to stand the effects of the Bill will be those people in the fixed income group, such as pensioners and superannuated people.

The Hon. R. C. DeGaris: How will they be affected?

The Hon. A. F. KNEEBONE: They will be affected because every purchase will be taxed.

The Hon. R. C. DeGaris: Every purchase?

The Hon. A. F. KNEEBONE: That is what it will do. This is said to be a tax on business people, but I am sure the tax will be passed on to the consumer and will increase the price of goods at a time when the wage-earner, the pensioner, and superannuated people are already finding it most difficult to make ends meet. Every purchase of an article will carry a duty of 1c for every $10 or every part of $10, and that means that if a person buys a packet of cigarettes or even a box of matches 1c duty will be payable on that transaction.

We have heard no great outcry from the business sector about this tax, the reason being, of course, that business people expect to pass it on to the consumer; and they have been encouraged in this belief. In fact, they have been given the green light by the Government through its action in decontrolling prices of numerous items. We heard yesterday how many items had been decontrolled and how few were now under price control.

The Hon. R. C. DeGaris: Can you tell me how you solve a deficit of $10,000,000 over three years?

The Hon. A. F. KNEEBONE: We would have been able to do so, and we would have done it by means of more equitable taxation than that being introduced by this Government. The other day I was at a function that was also attended by the Premier. This meeting was attended also by many business men who are interested in this tax and also in price control. On that occasion the Premier told these people that he did not intend to continue price control any longer than necessary. He received a good deal of applause, too, when he announced that he thought that those people themselves should be the people to fix their own prices.

The Hon. D. H. L. Banfield: And how they would fix them!

The Hon. A. F. KNEEBONE: If this is the Premier's attitude, I am surprised that he even bothered to introduce the Bill to extend price control for another year. It seems that by the time this year is out no items will be left under price control, so perhaps this will be the last year we will see this control in South Australia. I was surprised, too, when I heard from my colleagues in another place that although certain L.C.L. members there had opposed price control on other occasions they were strangely silent on this occasion. I am just wondering what will happen in this place, in view of the things I have said in recent times regarding this Bill, which apparently is a policy matter of the Government.

The Hon. Sir Arthur Rymill: Are you prepared to vote against it?

The Hon. A. F. KNEEBONE: No, I am in favour of price control. We hear that numerous business houses, which in the past have been giving discounts for cash and on monthly accounts, propose to discontinue this slight concession. Therefore, they will be reaping a double return, because they will be passing on the tax and also cutting out the small concession they were previously giving.

The list of tax imposts and increased charges either imposed or foreshadowed by this Government seems to grow every day, and as a result of these charges and taxes we find the prices of other things increasing also. We have had the increased excess water charges, increased hospital charges, and increased bus fares, and the Government has now said that shortly we will have increased rail fares. We have the tax proposed by this Bill. We have the $2 duty on motor vehicle insurance policies, to which my honourable friend Mr. Bevan has referred today. We have also proposed increases in third party insurance and in liquor licence fees. Liquor prices have already risen in anticipation of this. We heard today that possibly we shall have increased wine prices. In today's *News* it is said that the price of petrol may rise by several cents next year. This has all happened or will happen since this Government took office.

The Hon. S. C. Bevan: And it is talking about imposing an amusements tax.

The Hon. A. F. KNEEBONE: The other day the Hon. Mr. Hill, the Minister of Local Government, said that the Government was considering introducing a metropolitan improvement tax. The country people, who were mainly responsible for the return of this Government, will be interested in this proposal and in the M.A.T.S. proposal, both of which are designed to glamourize the city area to the disadvantage of country areas. It was reported that the Minister said that the Government would increase either land tax or Engineering and Water Supply Department charges, but that the Government had decided against the introduction of these taxes in this financial year because of other increased charges—

The Hon. D. H. L. Banfield: Not yet made.

The Hon. A. F. KNEEBONE: —which had to be included in the State Budget. It is fairly apparent to me that this tax will be introduced in the next Budget, because the Government does not intend to introduce it this year. The Government's only reason for not imposing it this year is that it might be the last straw that broke the camel's back. I agree that it would be.

The Government has a sorry record of increased taxes and charges, and this is its first session in Parliament. It has not only emulated Victoria in imposing taxes and higher charges but has gone even further than Victoria in the vicious taxes it has introduced. I oppose the Bill.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

PUBLIC EXAMINATIONS BOARD BILL

Adjourned debate on second reading.

(Continued from November 12. Page 2348.)

The Hon. JESSIE COOPER (Central No. 2): At first sight, this Bill would appear to be simple and straightforward, in that its object is to take the Public Examinations Board away from the aegis of the University of Adelaide and to establish it more or less autonomously,

the change having become necessary since the founding of Flinders University, which must be represented on the board. However, the Bill, which is largely the same as the one presented a year ago to this Council, is neither simple nor straightforward. It is indeed, in the way it proposes to reconstitute the Public Examinations Board, both complex and illogical. Honourable members must thank the Hon. Mr. Kneebone for bringing to the notice of the Council on Tuesday the present constitution of the board, and at this point I should like to thank him personally for his consistent courtesy to me when he was, as the Minister representing the Minister of Education, in charge of the first Bill last November.

The duty of a Public Examinations Board is to provide examinations and standards for certification in subjects for which there is a demand in the community, be it either with a view to a student's further study or for his entry into the business world or for any other social reason. The duty of a Public Examinations Board is not to decide what education people should have or to delineate or to circumscribe the individual's right to select whatever form of liberal education he desires. The Public Examinations Board in the past has attempted to make provision for an ever-increasing range of public requirements in educational standards. I believe that the South Australian people owe a tremendous amount to the very efficient work of the board over many years.

On the previous occasion when this matter was before this Council, I spoke in criticism of the proposed new constitution of the board, which changed the parity of representation between independent and State schools operative under the old board. Whereas the independent and the State schools each had eight representatives, it was proposed last year, as it is again today, that the Education Department should now have 10 representatives, and the independent schools only six.

On the previous occasion this Council amended these sections so that parity might remain between these two sections of education. Although the Government of the day refused to proceed with these particular amendments as passed by this Chamber, we now find that contrary to the decisively expressed opinions of the honourable members of this House, this Bill comes to us today with the original provisions of this section reinserted. Despite strong arguments and strong support in the teaching profession for the action taken by this Council, we find the Bill back almost in its original form. I do not propose on this occasion to attempt any amendment, as it appears that, irrespective of what Governments or what Ministers are in power, a determined departmental policy will triumph in the end.

The Hon. A. F. Kneebone: You give in too easily!

The Hon. JESSIE COOPER: However, I am still firmly of the same opinion as I was last year. There is no question that the independent schools have made a vast contribution to education in this State, and are still doing so. Not only has their contribution been financial—although that is great indeed, having relieved the burden of the Government-financed educational system for decades—but they have also achieved academic excellence. I will repeat my words from last year's debate, when I said this:

> They were the pioneers in the fields of mathematics and science and they have always given a lead in health and athletic training. They were the first to introduce organized games, now so heartily sponsored by national fitness groups. They have been the only type of school to maintain rigorously a system of religious training, which has given their students great moral strength and courage, unity of purpose and confidence.
>
> The resulting benefit to the community cannot be ignored. They have truly trained their students for leadership through service to others and acceptance of responsibility. The value of the independent schools in the planning and guiding of education has always been great and will not, I believe, be any less in the future.

The illogicality of the representation, however, becomes obvious when we find that the Government claims that the disparity of representation is acceptable because of the actual number of students in the two types of school: because there are now more students in State secondary schools than in the independent schools, there should be more representation on the Public Examinations Board. Leaving aside the fact that for all the years when the independent schools carried the bulk of secondary education there was no talk of disparity then, despite the very low number of State secondary schools, the illogicality becomes obvious when we see how the disparity is quite ignored when university representation is considered—not that I consider that Flinders University should have less representation than the University of Adelaide with its much larger student enrolment. I am merely pointing out the illogical argument that has been presented to us. Clause 3 (4) (*a*) provides:

Ten shall be members of the teaching or administrative staff of the Education Department, nominated by the Director-General of Education;

This is a blanket cover for these 10 members, whereas paragraph (*b*) provides for only six members from the independent schools. Paragraph (*b*) is spelled out in minute detail: there is no variation possible. It provides:

Six shall be persons engaged as teachers in, or in the administration of South Australian schools other than those maintained and administered by the Minister, two of whom shall be nominated by the Director of Catholic Education in South Australia, two by the Independent Schools Head Masters Association, and two by the Independent Schools Head Mistresses Association.

Let us refer back to paragraph (*a*) for a moment. Who will these 10 members be? Will they be headmasters or headmistresses? Will they be administrators? Will they be men or women? It is not specified. It is all very well to say that, if there are women of sufficient merit, then they will be appointed. That statement has never been borne out by the department's actions in the past. This attitude is offensive to all women teachers and must be deprecated because of its hidden implication that there is a dearth of highly-qualified women in the Education Department, which is palpably untrue, not to say ridiculous. However, in the interests of speed (after last year's debacle by the then Government) I will support the Bill and facilitate its passage.

One amendment only, of all those passed in this Council last year, has been incorporated in this Bill: this is the amendment that gave the board, in its right to make rules under clause 12, a degree of autonomy, subject only to the Act and regulations thereunder. In other words, the Public Examinations Board has been given, in its rule-making capacity, the protection and support of Parliament.

In concluding my remarks I must say that I feel it is regrettable that nobody has yet invented a way of giving those who set the standards for public examinations some means of insisting on reasonable ethical and moral standards for students. John Stuart Mill suggested long ago that, particularly in a democratic society, education has direct social repercussions, that a democracy is practicable only in a society whose members have a high level of education. How accurately has this assertion been borne out in the tragic Africa of today! Because of concern for its own preservation and wellbeing, the State has the right to ensure that its members be educated. This point has been amplified by Lord Justice Devlin, who has put it in a way that is particularly appropriate in relation to some of our student problems today:

An established Government is necessary for the existence of society and, therefore, its safety against violent overthrow must be secured. But an established morality is as necessary as good Government to the welfare of society. Societies disintegrate from within more frequently than they are broken up by external pressures. There is disintegration when no common morality is observed, and history shows that the loosening of moral bonds is often the first stage of disintegration, so that society is justified in taking the same steps to preserve its moral code as it does to preserve its Government and other essential institutions.

I hope the Bill will produce a Public Examinations Board which will be highly satisfactory to the State. I, unlike some people, consider that public examinations are most desirable and that standards to be aimed at are necessary for both teachers and students. I believe that this type of board will ensure that South Australia will remain in its present place in the world of scholarship.

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

SCIENTOLOGY (PROHIBITION) BILL

Adjourned debate on the motion of the Hon. A. J. Shard:

That the Hon. S. C. Bevan and the Hon. A. J. Shard be discharged from attending the Select Committee on the Scientology (Prohibition) Bill.

(Continued from November 13. Page 2400.)

The Hon. R. C. DeGARIS (Chief Secretary): I regret very deeply the action that has been taken by the Hon. Mr. Shard and the Hon. Mr. Bevan in seeking to be discharged from the Select Committee on the Scientology (Prohibition) Bill. The Hon. Mr. Shard, in speaking to this motion yesterday, made two points: first, that he had had the opportunity of consulting his colleagues; and secondly, that the resignation was due to the interference with the civil rights of an individual. The Select Committee was appointed by this Council and its setting up was originally suggested by the Leader of the Opposition. The committee was faced with a certain letter from Mr. Klaebe after he had made a verbal allegation and after the position had been explained to him. This letter reached the chairman of the Select Committee and, under Standing Order No. 399, there was no option

other than to refer this matter to this Council for a decision. I believe that that was the decision of the Select Committee.

The Hon. Sir Arthur Rymill: Including the two gentlemen you mentioned.

The Hon. R. C. DeGARIS: Yes. When the matter was referred to it by the Select Committee, this Council decided unanimously to call Mr. Klaebe to the Bar of the Council. Standing Order No. 399 states:

If any information come before a Committee that charges any member of the Council, the Committee shall only direct that the Council be acquainted with the matter of such information, without proceeding further thereupon.

I also refer honourable members to Standing Orders Nos. 214 and 193. No. 193 states:

The use of objectionable or offensive words shall be considered highly disorderly; and no injurious reflections shall be permitted upon the Governor or the Parliament of this State, or of the Commonwealth, or any member thereof, nor upon any of the Judges or courts of law, unless it be upon a specific charge on a substantive motion after notice.

These are the facts of the case up to this point. On being called to the Bar of the Council, Mr. Klaebe admitted that he had written and posted the letter which had been received by the chairman of the Select Committee. The Council then took certain action—the action of censure—and this was approved by a vote of this Council. The allegations that had been made by Mr. Klaebe could have been made equally against any member of the Select Committee, because the second reading of the Scientology (Prohibition) Bill was passed unanimously. The Bill was then referred to a Select Committee for inquiry. In this regard, the charges made against the chairman of the Select Committee could more particularly have been made against the Leader of the Opposition himself. I followed the Leader as Minister of Health, and I attended a conference of Ministers of Health, at which the decision that was made at a previous conference was reaffirmed. A press release was made in 1967. The Leader was Minister of Health at that time. That resolution and press release read as follows:

That this conference deplores the activities of those responsible for the cult of scientology and considers that a close watch should be maintained to prevent its spread. The conference further believes that States should take action against this harmful cult if it appears to be spreading.

This charge could well have been levelled against any member of the Select Committee, and if an allegation was made against any member I believe the same situation would have applied. Standing Orders specifically cover this point. The matter would have had to be referred to this Council. All members are entitled to the protection of this Council. I now refer to Erskine May's *Parliamentary Practice*. Of course, one could quote at length on the matter of privilege, but the first paragraph of chapter 3 reads as follows:

Parliamentary privilege is the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and by members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals. Thus privilege, though part of the law of the land, is to a certain extent an exemption from the ordinary law. The particular privileges of the Commons have been defined as:

> The sum of the fundamental rights of the House and of its individual Members as against the prerogatives of the Crown, the authority of the ordinary courts of law and the special rights of the House of Lords.

I also refer to page 125 of Erskine May's *Parliamentary Practice* where chapter 8, under the heading "Acts or Conduct Constituting Contempt", refers to imputing unfair conduct to the Chairman of a Select Committee, and refers to *France's* case of 1874 and to *Barkley's* case, 1950-51. It is perfectly obvious to me that if Parliament is to fulfil its function, this Council must protect members against allegations such as those made against the chairman of this Select Committee.

The Hon. S. C. Bevan: Don't you think an individual is entitled to state why he made those allegations?

The Hon. R. C. DeGARIS: When the matter was raised in the Council the only thing that had to be decided was whether the letter was written by Klaebe and posted by him. The Hon. Sir Arthur Rymill moved the motion, which was open to debate at that time, and any member could have risen to his feet and expressed his views either before or during the debate on that question. However, the only reason the Hon. Mr. Shard and the Hon. Mr. Bevan gave for the motion now before the Council was that there had been interference with civil rights. The heritage we have received from the Mother of Parliaments is designed for the very purpose of ensuring that Parliament can operate in the interests of the very rights that the honourable members have complained about. I wish to refer to other statements that have recently been made on this question, and in this respect I refer to an article in today's *News* where the Leader of the Opposition in another place is reported as having said:

On the say-so of the Chief Secretary, Mr. DeGaris, the Legislative Council is ready to deny the rights of citizens which have been written into the United Nations Declaration of Human Rights.

I have done nothing. This Council has protected the rights of Parliament, and this is an essential part of human rights. Then one comes to another statement by the Leader of the Opposition which is scurrility at its worst, and that is:

The whole thing was obviously fixed up beforehand and makes reform of the Legislative Council imperative.

I would like honourable members to consider that statement that the whole thing was obviously fixed up beforehand. I make the charge very clearly that if there is any charge of anything being fixed up beforehand one should examine the action taken by two members of this Select Committee who wish to be discharged therefrom. This is obviously the position, because if one follows the thing right through one can see that there was a certain point when the whole attitude of members opposite changed. The Leader of the Opposition in this Council said he consulted his colleagues. I do not know what "consulted" means in that context, but the next statement by the Leader of the Opposition in another place ". . . and makes reform of the Legislative Council imperative" deserves some comment.

I point out that if this same thing had happened with a Select Committee of the House of Assembly, the same Standing Orders that govern this Chamber would also govern that Chamber; there is no variation in the intent of the Standing Orders. I believe those Standing Orders have survived a long period of our heritage in order to preserve the rights of Parliament and, in doing that, to preserve the rights of every individual in the community. As I said, I deeply regret that two members of this Select Committee have decided that they wish to be discharged from the committee. This illustrates the length to which some members will go, and I refer not only to their desired discharge from the Select Committee but also to some of the comments that have been made in order to attempt to make a small political point, even if the institution of Parliament is attacked in the process.

The attack that has been made on the Legislative Council through the *News* is not an attack on the Council itself but an attack on the whole institution of Parliament as we know it. I deeply regret that two members have requested to be discharged from the Select Committee.

The Hon D. H. L. BANFIELD (Central No. 1): I support the motion, because I believe that the action of these two gentlemen in seeking to be discharged from the Select Committee is the only action that a person with a conscience could take in this regard. As a result of what took place in this Council on November 6, the following resolution moved by the Hon. Mr. Gilfillan was carried:

That Mr. Kenneth Eric Klaebe be summoned to appear at the Bar of the Council on Tuesday next, November 12, 1968, at 2.15 p.m., to answer such questions as the House may see fit to put to him regarding his letter dated October 30, 1968, concerning the Hon. C. M. Hill, Chairman of the Select Committee on Scientology (Prohibition) Bill, 1968.

The proposed procedure when Mr. Klaebe appeared before the Council was circulated to honourable members. It was stated that questions could be put only through the President. Perhaps that is in accordance with Standing Orders; I do not suggest it is not. However, no question was asked of Mr. Klaebe regarding what was contained in his letter. He was only asked whether he was the man who wrote the letter and the man who caused it to be sent.

The Hon. H. K. Kemp: What's this about being circulated? I did not get any circular. Did you get one?

The Hon. D. H. L. BANFIELD: Is the honourable member going to make this speech or am I?

The Hon. M. B. Dawkins: Haven't you got an answer to that?

The Hon. D. H. L. BANFIELD: The position is that Mr. Klaebe was summoned to this House to be asked questions regarding the letter dated October 30. Perhaps we did what the Standing Orders provided. However, this man had no opportunity to state a case about what was his belief as to why he wrote the letter. After he had been dismissed from the Bar to go into another room while we considered the position, a motion was moved that no charge had been made against him. However, we then found the Hon. Sir Arthur Rymill getting up and moving a motion chastising Klaebe for having written the letter. Other things were contained in that motion, but it was significant that in moving this motion Sir Arthur Rymill did not speak to it, even to give his reasons for moving it, which is most unusual. It is reasonable enough to submit any motion to this House, but surely

it is also reasonable for the mover to give reasons why we should carry the motion. I venture to say it would be very rare indeed for a motion to be put to this House without honourable members being told why we should carry it.

The Hon. A. M. Whyte: Why didn't you ask for the reasons at the time?

The Hon. D. H. L. BANFIELD: Because Sir Arthur Rymill had already sat down and he could not then get up and elaborate on it. In fact, at the end of the debate you, Mr. President, asked Sir Arthur Rymill whether he wished to reply, and even at that stage he did not exercise his right to reply to the debate or give any reason why he moved the motion.

The Hon. Sir Arthur Rymill: I think I know a little about Parliamentary procedure, and the honourable member is showing a deplorable ignorance of it.

The Hon. D. H. L. BANFIELD: What I am saying is that Sir Arthur Rymill did not state any reason whatever why he moved the motion. I am also stating (Sir Arthur Rymill can deny this if he likes) that you, Mr. President, asked him whether he wished to reply before the debate was closed and he did not accept the invitation. If Sir Arthur Rymill denies that I will accept his denial.

The Hon. Sir Arthur Rymill: I think the honourable member ought to learn something about this subject before he talks about it.

The Hon. D. H. L. BANFIELD: My impression was that the honourable member did have the right to reply. Whether or not he had that right, you, Mr. President, thought that he had the right to reply because you asked him whether he wanted to reply and he did not take advantage of it. Therefore, I suggest that you, Sir, knew what the position was and that Sir Arthur Rymill did not accept the invitation to reply. Because of these things, a certain motion moved by Sir Arthur Rymill was carried, and, because of their consciences, two members, who can see what any further witness may have to suffer as a consequence of appearing before the Select Committee, feel that justice is not being done. If those members believe that, I think they are entitled to be relieved of their membership of the Select Committee. For those reasons, I support the motion.

The Hon. Jessie Cooper: Their consciences were standing outside the door.

The Hon. D. H. L. BANFIELD: The honourable member can get up and make her own speech.

The Hon. A. J. SHARD (Leader of the Opposition): I think I should make it plain to the Council that I do not intend to criticize any decision of this House. I think all my colleagues on the Select Committee would agree that ever since this committee was appointed I have been disturbed about the way it had to be conducted under the Standing Orders. Some things that have come out of this Select Committee have perturbed and worried me. It is not the first time I have said this: I have said it two or three times before members of the committee.

The Hon. R. C. DeGaris: The same thing applies with Select Committees of the House of Assembly.

The Hon. A. J. SHARD: I am not querying that. What I am saying is that we must look closely at the Standing Orders covering the conduct of Select Committees. I reiterate that I am not querying the procedure that has been adopted, for I concede that it has been carried out strictly in accordance with the Standing Orders. However, I say quite candidly that in my humble opinion the Standing Orders dealing with Select Committees and the summoning of people before the House need to be looked at in the light of conditions in 1968 rather than those of the 1800's. Although I admit that the witness before the Bar on Tuesday was treated by you, Mr. President, fairly and in strict accordance with the rules, seeing him there was frightening and sickening to me. I wish to be quite frank about that. I told members of the Select Committee, I think yesterday, that I had been worried about it for the whole week, and that I had hardly slept, because I do not take these things lightly. I should hate to see any member of my family or indeed, any member of the community, without some knowledge of Parliamentary or court procedure, called to the Bar in similar circumstances.

The Hon. R. C. DeGaris: What is your solution to this problem?

The Hon. A. J. SHARD: I will have something further to say about the matter next week. When I say that I consulted with my colleagues about this, I want people to believe me. The Hon. Mrs. Cooper said something about the conscience listening at the door. I can tell her that I went to the door to be told that the Licensing Bill was coming on. No-one else is to blame for what I did. I have taken my stand on this matter to highlight the procedure involved in a person being summoned to the Bar of the House, because

the vast majority of citizens of South Australia would not realize what was involved. No-one is more concerned than I about the protection of Parliamentary procedures, but I do not think we have to go to the lengths and depths that we did this week on this matter.

Motion carried.

The PRESIDENT: I draw honourable members' attention to Standing Order 381 which requires a ballot to be held to elect members in place of those discharged. Ring the bells.

The bells having been rung:

The PRESIDENT: I ask honourable members to strike out of the list they have been given the names of two honourable members who they think are fit and proper persons to be members of the Select Committee. I point out that any list containing a larger or a lesser number of names than two struck out will be void and rejected. I appoint the Chief Secretary and the Hon. Mr. Shard scrutineers.

A ballot having been held:

The PRESIDENT: I declare the Hon. Mr. Hart and the Hon. Mr. Geddes the duly elected members of the Select Committee.

LICENSING ACT AMENDMENT BILL

Second reading.

The Hon. A. J. SHARD (Leader of the Opposition): I move:

That this Bill be now read a second time.

It is designed to cure a number of anomalies in the Licensing Act, 1967, and to provide for a slight extension to the licensing system. It is urgent that the anomalies be cleared up because in some cases people are being convicted for doing what I am sure Parliament never intended to be treated as offences, and in other cases clubs are being prevented from the letting out of their premises, which Parliament certainly intended that they should be able to continue to let out. Clause 2 amends the wine licence provisions of the principal Act. The Royal Commissioner recommended that no further wine licences be granted and that after a five-year period all wine licences be converted either to restaurant licences or to retail outlets for bottles. That proposal was modified before Parliament when the Bill for the 1967 Act was before the House of Assembly, making an exception to the continuance of wine licences for wine saloons where substantial food was served with wines and the premises were of adequate standard. The development of the Chesser Cellar in Adelaide had shown the public demand for reasonable facilities of this kind, and it was the intention of the Government to encourage the development of such facilities, but the provision was retained in the Act that no new wine licences were to be provided.

This Bill provides an exception to that latter provision. It is proposed that if the court is satisfied that by doing so it would promote the sale of wines of good quality produced in the State it may grant a wine licence in respect of the premises of a *bona fide* museum or art gallery situated in or close to a wine-producing area. The exception will, of course, only have a very limited effect but may well provide a facility for tourists and for the encouragement of sales of good quality wines if such licences are granted. The amendment provides that the premises are to be suitable and that the wine licence may be renewed after the five-year period provided it conforms with the other provisions in the Act for the continuance of the licences. Clause 2a provides for a defence to a charge of serving a person under age with liquor in the case of booth permits at cabarets or elsewhere. At the moment under the Act it is a defence for a barman in any licensed premises to a charge of serving a person under age to prove that the barman had reasonable cause to believe that the person to whom the liquor was supplied was, in fact, of age. Although that defence applies on licensed premises, it does not at the moment apply in the case of booth permits where an absolute liability occurs, and barmen relying on the defence which they know they have in licensed premises have recently been prosecuted and fined, even though they had made inquiries as to the age of the persons whom they were serving.

Clause 3 provides that nothing in the Act or at common law shall prevent the letting out of the premises of permitted clubs at times other than those when the club may sell or supply liquor to its members in pursuance of the permit and makes it clear that a club may cater in food or drink other than liquor to the people to whom it lets out its premises, and that those people may apply for a special occasion permit for the club premises when they are holding a function there. Clause 4 makes a similar provision in relation to licensed clubs but, of course, there is no restriction on the letting out of licensed clubs to particular occasions, since the club licence allows the sale of liquor to members not during specific periods but during lawful trading hours. Clause 4a amends the definition of "excepted persons" which twice occurs in the principal Act, once in section 158 and once

in section 126. It is an offence under the Act for any person to be in a bar-room other than during lawful trading hours if he is not either an excepted person or a customer entitled to be there during the allowed consumption period after closing time. Servants of the licensee are not excepted persons under the present definition unless they are living or staying on the licensed premises.

The effect of these provisions, therefore, is that a barman may not be in a bar after 10 p.m., or whatever is the authorized closing time for the bar, even in assisting to get patrons to leave during the allowed consumption period or to clean up the bar, unless the barmen are in fact living or staying on the licensed premises, and these days few barmen do this. Certain barmen who have been in the process of cleaning up a bar after lawful trading hours have been subjected to prosecution as a result. The amendment therefore strikes out of the definition of "excepted persons" the words "living or staying on the premises" so far as these apply to servants of the licensee so that all servants of the licensee would in future be excepted persons and be permitted to be on the premises after lawful trading hours, and specifically of course allowed to be in the bar to the same extent as the licensee himself.

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

The Hon. A. J. SHARD moved:

That this debate be made an Order of the Day for the next day of sitting.

The Hon. S. C. BEVAN seconded the motion.

The Hon. Sir ARTHUR RYMILL moved:

To strike out "next day of sitting" and insert "Wednesday, November 20".

The Council divided on the amendment:

Ayes (14)—The Hons. Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, L. R. Hart, C. M. Hill, Sir Norman Jude, H. K. Kemp, F. J. Potter, C. D. Rowe, Sir Arthur Rymill (teller), V. G. Springett, and C. R. Story.

Noes (3)—The Hons. S. C. Bevan, A. F. Kneebone, and A. J. Shard (teller).

Majority of 11 for the Ayes.

Amendment thus carried; motion as amended carried.

ADJOURNMENT

At 5.55 p.m. the Council adjourned until Tuesday, November 19, at 2.15 p.m.