LEGISLATIVE COUNCIL

Thursday, August 13, 1970

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

MINISTERIAL STATEMENT: HEALTH SERVICES INQUIRY

The Hon. A. J. SHARD (Chief Secretary): Mr. President, I seek leave to make a statement.

Leave granted.

The Hon. A. J. SHARD: The Government has been watching carefully the current difficulties affecting medical and nursing staff at Government hospitals. One of the major problems appears to be one of communication and, in consequence, a committee has been convened to receive and examine representations from medical and nursing staff, as well as staff associations and kindred organizations, with the prime objective of improving methods of communication within the administrative structure of Government hospitals. This committee, which is really a working party rather than a committee of inquiry, is seen as having only a limited scope of operation, and the Government expects an early report from it indicating where some immediate action can be taken. It is possible that this committee may be able to indicate areas where an inquiry in greater depth may be desirable.

With the many authorities and organizations in South Australia being responsible for various aspects of health and social services, the Government proposes to set up, later this year, a committee of inquiry into health services generally. This committee could well take from 12 to 18 months to complete its deliberations and therefore is proposed as a completely separate inquiry to the working committee on communication aspects.

In deliberating as to the need for a major inquiry, the Government has been conscious of the recent report on the New South Wales Community Health Services headed by Dr. K. W. Starr. This report envisages some considerable changes in the co-ordination of health services in New South Wales, and many of the recommendations and findings in the report could well be taken into consideration by any committee of inquiry set up in South Australia.

While the proposed terms of reference of the committee on health services are still to be finalized, it is expected that it will make recommendations on the type of administrative framework required to ensure an optimum standard of health services for the State for the next two decades. It is also expected that the committee will inquire into the training of nursing staff; the future development of Government and subsidized (including community) hospitals; the nursing, paramedical and social worker services considered desirable; make recommendations regarding any co-ordination or reorganization of health and hospital services; and examine the total health concept including the place of the Mental Health Services, nursing homes, domiciliary care and health centres. It is proposed that the committee will also take evidence from the various sections of workers, voluntary and professional, who are so conscientiously involved in this area of service to the community. If the committee can only suggest where, through co-ordination of activities, the best use of our limited resources can be achieved, it will have made a substantial contribution to the State.

Consideration is currently being given to the possible membership of such a committee of inquiry. The Government is of the view that any reorganisation of nursing roles cannot take place in isolation from associated developments in the medical, dental and paramedical fields. For these reasons the Government considers that the nature and scope of the inquiry into total health services is such that the inquiry should be undertaken by the type of committee outlined rather than by the appointment of a Select Committee of Parliament.

DISTINGUISHED VISITOR

The PRESIDENT: I notice in the gallery the Hon. Christopher Robert Ingamells, Speaker of the House of Assembly of Tasmania, to whom I extend a very cordial welcome to this Chamber. I ask the Chief Secretary and the Hon. Mr. DeGaris to escort our visitor to a seat on the floor of the Chamber on my right.

The Hon. C. R. Ingamells was escorted by the Hon. A. J. Shard and the Hon. R. C. DeGaris to a seat on the floor of the Council.

QUESTIONS

DROUGHT RELIEF

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

Leave granted.

The Hon. H. K. KEMP: I was informed this morning that a number of farms in the area from Loxton to Sedan have this winter had less than 1in. of rain recorded. I have spoken at length on the trouble in this area but things are now desperate in a large part

of it. First, does the Government intend to do anything to help those people in the desperate position they are in? Secondly, is there any plan to handle the very large movement of stock that must take place out of this area if these animals are to survive? Thirdly, is there any hope of ameliorating the financial position of those people who have had one crop in the last four years? Already, many mortgage sales are being advertised in this area.

The Hon. T. M. CASEY: This is the first time I have heard of an area in South Australia that has had less than 1in. of rain—namely, the area mentioned by the honourable member, from Loxton to Sedan. I point out to him that there are other areas in this State that are probably almost as badly off as this area, particularly in the northern part of the State. I also point out that about five years ago, during the reign of the previous Labor Government, an Act was passed in this Parliament entitled the Primary Producers Emergency Assistance Act. It was the first time an Act of this nature had ever been passed in this Parliament: it gave the producers an opportunity to apply to the Government for aid. For the honourable member's information, the Act was administered by the Minister of Lands. I suggest that the honourable member inform these people, if they are interested, that they should apply under this Act to the Minister of Lands to see what monetary assistance can be made available. I know that the elements are something over which we have no control (perhaps it is just as well we have not). The problems facing these people, particularly in this area, are due to the fact that we have wheat quotas in operation. Whereas these people have had only one crop in the last five years, they have been unable in some cases to get the wheat into silos and thereby obtain a first payment on it. I am sure that, if the honourable member has in mind any particular people and if he advises them to apply to the Minister of Lands under this Act for assistance, their applications will be considered.

The Hon. L. R. HART: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. L. R. HART: We have read reports recently of large areas of New South Wales and Queensland being declared drought areas. I understand that, where an area of a State is declared a drought area and the State incurs expense in providing some relief to those areas, it can be reimbursed from the Commonwealth through the States Grants (Drought Assistance) Act of 1966. As the Minister well knows, large areas of South Australia are in the throes of drought at present, and no doubt they would qualify as drought areas. Can the Minister say whether it is competent for the South Australian Government to declare an area in South Australia a drought area for the purpose of receiving assistance from the Commonwealth, which assistance is, I understand, by way of a grant and an interest-free loan? If it is competent for an area in South Australia to be declared a drought area, has the Government considered declaring certain areas drought areas; if not, would it consider this vital matter?

The Hon. T. M. CASEY: Yes; I am sure the Government is quite in order in coming to grips with the question of what is a drought-stricken area at a particular time and what is not, but I have seen no correspondence from any local government bodies on this matter. I do not know whether the Minister of Lands has, because this comes under his jurisdiction more than it comes under mine.

The Hon. L. R. Hart: Does it have to come from local government?

The Hon. T. M. CASEY: Not necessarily, but moves could be made from a particular area stating the full ramifications of the drought conditions. It may be a good thing if district councils did make representations to the Government, because those people have first-hand knowledge of the area concerned.

The Hon. R. C. DeGaris: Isn't there an Agriculture Department with expert knowledge?

The Hon. T. M. CASEY: No doubt they could make representations to the Agriculture Department, whose officers could be in a position to convey those representations to the Government. So far, I have had no representations or information relayed to me along these lines, but I will call for a report. If I can throw any light on the matter, I shall be only too happy to let the honourable member know.

The Hon. L. R. HART: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. L. R. HART: In 1967 the previous Labor Government introduced an Act known as the Primary Producers Emergency Assistance Act, which was referred to by the Minister of Agriculture earlier this afternoon.

Under that Act a fund known as the Farmers Assistance Fund was set up, and this fund was financed from moneys from the Marginal Lands Improvement Account and other farmers assistance funds. I believe the amounts involved were $150,000 from the Marginal Lands Improvement Account and $200,000 from the other funds. Can the Minister say whether this fund is still in credit and, if it is, to what extent?

The Hon. T. M. CASEY: As this fund is operated by the Minister of Lands, I will obtain the information from him and bring down a report for the honourable member.

MEAT

The Hon. V. G. SPRINGETT: Has the Minister of Agriculture a reply to my question of July 21 about meat standards?

The Hon. T. M. CASEY: The Minister of Health has furnished the following report from the Director-General of Public Health:

It is not possible to give complete assurance that all killing centres where meat is prepared for public distribution are completely free from viable infection. However, at all premises subject to the Abattoirs Act or the Metropolitan and Export Abattoirs Act all meat prepared for public distribution is subject to a strict system of inspection. Although meat slaughtered at other licensed premises is not subject to regular examination, the premises are subject to inspection and licensing by the local government authority concerned under the provisions of the Local Government Act and are required to comply with the relevant provisions of the Health and Food and Drugs Acts.

The Hon. V. G. SPRINGETT: It was recently announced that certain meatworks in New South Wales had been cleared as satisfactory for preparing meat for export to the United States of America. If meatworks in this State are free from trouble, can the Minister say whether they have been cleared as acceptable for preparing meat for export to the American market?

The Hon. T. M. CASEY: The short answer to the honourable member's question is "No", because the American veterinary authorities, who have the final say in connection with standards of export abattoirs in Australia, have not yet visited South Australia to make inspections. We want to make absolutely sure that our abattoirs will meet the standards required by the American authorities. The Department of Primary Industry has given a clean sheet to our abattoirs, but the management believes that, in the interests of our primary producers and the industry generally, certain things should be looked at to ensure that the American authorities give us a clean bill of health when they visit South Australia; otherwise, it could be several months before permission was granted for the export of meat from this State to America. I know of only one abattoir in the Commonwealth (at Shepparton) which has been granted a clearance by the American authorities. The latest information I have is that they are now inspecting meatworks at Darwin and Katherine, and it is expected that they will shortly be invited to inspect our abattoirs in South Australia.

The Hon. V. G. SPRINGETT: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. V. G. SPRINGETT: In the Minister's reply he stressed the need for South Australia to ensure that its meat standards met the requirements of veterinary inspection imposed by the United States of America. On July 15, the Minister said:

I assure honourable members that our abattoirs fulfil their obligations admirably.

That statement and the one he made earlier today do not seem to add up. Can the Minister say whether our meatworks at Gepps Cross, Port Noarlunga and Murray Bridge are satisfactory and free from any ban?

The Hon. T. M. CASEY: No. I do not want to mislead the honourable member, but when I said that the standards set by the South Australian abattoirs are second to none in the Commonwealth, I meant just that, and I am sure that most people would agree with that statement. Under the Abattoirs Act meat must be inspected, and the inspection is so rigid that there are no problems regarding the quality of meat sold for human consumption. Unfortunately, when one starts dealing with the Americans and their requirements, it is not so much a question of the standards of the meat once it has been killed; they go much further than that: if they find even a small tile loose or a cracked gutter or something of that nature that has nothing to do with the hygiene requirements of the chain, they are apt to cancel the contract for the abattoirs concerned. Why they do these things nobody seems to know but, unless we fulfil all the requirements of the American veterinary people, we shall be doing an injustice to the producers and the consuming public (mostly the producers, in this case) if we do not ensure that all these matters are attended to

before we ask the Americans to come in. I reiterate that, as regards the meat that is killed at abattoirs operating under the Abattoirs Act, there are no other abattoirs that I know of that will measure up to the standard that we require in South Australia. I hope I have explained that sufficiently for the honourable member.

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

Leave granted.

The Hon. R. A. GEDDES: From a report in this morning's paper, the Chairman of the Metropolitan and Export Abattoirs Board has appealed to producers not to make the Gepps Cross abattoirs a dumping ground for poor quality stock. It is traditional that the Metropolitan Abattoirs has served the State: in fact, it has been known in the past to operate at a loss because it is a service abattoirs and has spent money on installing additional facilities to handle whatever situation may arise in a drought. Will the Minister take urgent steps to see that the Abattoirs Board makes adequate provision in relation to drought-affected sheep at Gepps Cross as soon as practicable?

The Hon. T. M. CASEY: Yes.

PORT ADELAIDE SCHOOLGIRLS

The Hon. D. H. L. BANFIELD: I seek leave to make a short statement before asking a question of the Minister representing the Minister of Roads and Transport.

Leave granted.

The Hon. D. H. L. BANFIELD: On April 21, 1969, the Headmistress of the Port Adelaide Girls Technical High School wrote to the General Manager of the Municipal Tramways Trust asking whether the trust could provide special buses to take some of the students home. It was pointed out that 61 girls travelled on the Queenstown bus each night, and 96 travelled to Osborne. At present, these girls have to change buses at Port Adelaide, and while waiting for a bus they may be led into temptation through going into shops and getting into trouble. About 100 girls travel on the Semaphore bus and about 53 girls travel on the Largs bus. The school asked whether special buses could be provided, in the interest of the travelling public, for these girls to travel on after school. A reply dated May 23, 1969, was received by the Headmistress which said, in effect, that the trust was looking into the question, but that as the May school holidays were taking place it would not do this until after the holidays. Since then, the Port Adelaide Girls Technical High School Council, the Headmistress, the staff, and the girls themselves have become further dissatisfied with the position, with the result that yesterday a petition was signed by 200 girls (not in any way prompted by any of the staff). The petition stated that they were sick and tired of the conditions on the buses and felt most exasperated when irate conductors said, "You shouldn't be on this bus. Why don't you catch the school bus?" Will the Chief Secretary ask his colleague to take up this matter with the trust to see whether this position can be improved soon?

The Hon. A. J. SHARD: I shall be pleased to refer the question to the Minister of Roads and Transport.

ROAD SIGN

The Hon. Sir NORMAN JUDE: I ask leave to make a short statement prior to asking a question of the Chief Secretary, representing the Minister of Roads and Transport.

Leave granted.

The Hon. Sir NORMAN JUDE: In this morning's *Advertiser* I noticed a somewhat glamourized picture backed by what I imagined to be an entirely new road sign. I have in my possession a copy of the *Australian Standards on Road Traffic Control Devices*, and I think that all honourable members would be aware that the device pictured in this morning's paper is not included in the standards book. The sign to which I refer reads "Go back. You are going the wrong way." As it is a reflectorized sign, it is obviously an expensive one. Can the Minister say what is wrong with the accepted sign used throughout the Commonwealth and in other parts of the world: "No Entry"?

The Hon. A. J. SHARD: As I do not wish to buy into this argument, I will refer the question to my colleague.

RATE REVENUE

The Hon. M. B. DAWKINS: I seek leave to make a short statement before asking a question of the Minister representing the Minister of Roads and Transport.

Leave granted.

The Hon. M. B. DAWKINS: Within the Midland District there are some councils (I can think of three at the moment; there may be more) that are deprived of considerable rate revenue by reason of the occupation of some of their areas by Government departments, particularly the Woods and Forests Department and the Agricultural College Department. The councils I have in mind

are the district councils of Gumeracha, Barossa and Mudlawirra. The present grants-in-aid are by no means sufficient to compensate for the considerable loss of revenue that these councils suffer. Will the Government consider making adequate compensation for the loss of revenue experienced by these councils?

The Hon. A. J. SHARD: I will refer the question to my colleague.

SALISBURY TEACHERS COLLEGE

The Hon. C. M. HILL: On July 29 I asked the Minister representing the Minister of Education a question concerning the problems being experienced by the students in the new Salisbury Teachers College. In particular, I referred to the question whether or not the library could be opened during the evenings for the benefit of those students and also whether the canteen facilities, which I understand had been planned, could be provided at an early date. I understand the Minister of Agriculture has a reply.

The Hon. T. M. CASEY: The Minister of Education states:

As from Monday, August 3, the library at Salisbury Teachers College is to remain open on Monday and Wednesday evenings until 10 p.m. At the end of a four weeks' trial period to estimate the response of students, a decision will be made whether to continue, extend or discontinue the service. A contract has been let for a canteen service and a limited service will begin on or shortly after August 13. A full service will not be available until the kitchen wing is completed about the end of the year.

LOCAL GOVERNMENT COMMITTEE

The Hon. M. B. DAWKINS: I seek leave to make a short statement prior to asking a question of the Minister representing the Minister of Roads and Transport.

Leave granted.

The Hon. M. B. DAWKINS: About five years ago the Hon. Mr. Bevan, when he was Minister of Local Government, appointed a committee charged with making recommendations in relation to a new Local Government Act. This committee, which met over a period of over four years, was known as the Local Government Act Revision Committee. I am aware that the committee, after a very comprehensive inquiry, brought down its report some little time ago. When will that report be made available to honourable members?

The Hon. A. J. SHARD: I do not know when it will be made available. However, I will seek the information and bring down a report as soon as possible.

PEDESTRIAN CROSSING

The Hon. C. M. HILL: I seek leave to make a short statement before asking a question of the Minister representing the Minister of Roads and Transport.

Leave granted.

The Hon. C. M. HILL: Residents living on the eastern side of the Lower North-East Road seek a pedestrian crossing across that road in the vicinity of the junctions of Brooker Avenue, Lennox Street and Heading Avenue with the Lower North-East Road, for the following reasons. Children will be crossing the Lower North-East Road to attend the new Marden school. Elderly people from the Druids Aged Persons Home experience difficulty in crossing now. The proposed Campbelltown community hospital will generate much pedestrian traffic in this area, and the proposed Campbelltown youth centre will cause children to cross the Lower North-East Road, especially in the evenings, at this point. Will the Minister take up this whole question with his colleague and in due course inform me of the results of his investigation?

The Hon. A. J. SHARD: I will refer the question to the Minister and bring back a reply.

CITRUS ORGANIZATION COMMITTEE

The Hon. C. R. STORY: Can the Minister of Agriculture give me any idea when Mr. Dunsford is likely to bring down his report on the operations of the Citrus Organization Committee?

The Hon. T. M. CASEY: I cannot give a specific date at this stage. However, when I was talking to the Director only a couple of days ago he told me he was trying to wind up his talks with producers in the Murray River areas as quickly as possible, so I do not think we will have to wait very long, perhaps no more than about four or six weeks.

ADVANCES FOR HOMES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 12. Page 642.)

The Hon. C. M. HILL (Central No. 2): This Bill satisfies an urgent need, and I support it. The purpose of the measure is to increase to a maximum of $9,000 the amount that can be advanced by the State Bank on first mortgage to borrowers who seek to purchase houses through that bank as mortgagee.

The most beneficial effect of the measure is that it will bring some financial help to borrowers, many of whom are young people. Many newly-married people finance their first houses through this institution, and that has been quite traditional in the history of the bank in this State. The real significance is that whereas at present most borrowers not only apply for and obtain the existing $8,000 first mortgage from the bank but they are forced to borrow on second mortgage as well, and many of these second mortgages certainly get into quite sizeable figures: many of them exceed $1,000. Therefore, if this Bill is passed, it will be possible for these people to increase their first mortgage amount to $9,000, and in many instances this will mean that these people will not be forced into having to borrow that extra $1,000 on second mortgage.

It is a trend that will not cease, for more and more people will find it necessary to borrow increasing amounts on mortgage. Although I have no business interest in the land agency business which I am proud to say bears my name I, like all other honourable members in this Chamber, know that land costs and building costs are increasing all the time, so the future young people in South Australia will find great assistance if they can apply for the full $9,000 instead of the present figure of $8,000.

The interest rate charged by the State Bank at present on first mortgage is 6¾ per cent, and I understand that it is adjusted on a monthly basis. From my investigations, I can say that the usual interest rate now being charged by finance companies for second mortgages is on a simple interest basis of 12½ per cent, so we can see, by comparing these two interest rates and considering this extra $1,000 that this legislation will permit people to borrow on first mortgage, that the saving in interest to these young people will be appreciable. However, the benefit that I have mentioned will be lessened if the State Bank increases its interest rate and, unfortunately, not only in this State but throughout Australia and indeed throughout the world there is a trend in this direction. Therefore, I think it is appropriate to ask whether the State Bank Board intends to increase its interest rate in the foreseeable future.

I do not deny the bank the right to do this. However, any increase made in the foreseeable future after this measure becomes law could bring unfavourable comment and, indeed, criticism of the bank in the light of this Bill. As we all know, the bank has always enjoyed a very good name in this State. Indeed, it is a fine banking institution that has played a tremendous part in the development and progress of South Australia. I ask the Minister to inquire and, in his reply, to give an assurance that in the foreseeable future the State Bank Board does not intend to increase its interest rate.

The other aspect that might flow from this measure is that an increase from $8,000 to $9,000 may mean that fewer people can be satisfied with the aggregate sums that the bank has available to lend. I understand that the present time lag is about eight months from the State Bank for people to obtain mortgages on new houses and about 35 months for established houses. Whilst the latter period appears to be most unfortunate, in all fairness I point out that the vast amount of borrowing from this bank is for new houses.

I can recall that when the previous Government was in office this increased loan from the State Bank was investigated, and it was then thought that the slight disadvantage that might accrue by people perhaps having to wait another month or two by the loan's being increased would be far outweighed by the interest advantage that flowed, an advantage which I have already explained. So I think this aspect of people perhaps having to wait a little longer is not by any means as important as the tremendous advantage the measure will bring young people, who will be able to borrow an extra $1,000 at about half the interest rate they are paying under present conditions.

The Bill follows very closely the measure that came into this Council in 1968. On that occasion the maximum amount that could be advanced was increased from $7,000 to $8,000. I repeat my wholehearted support for the Bill, which members of my Party have had in mind for some time; indeed, in the policy speech of the Liberal and Country League before the last election the following paragraph was included under the heading "Housing":

> We will raise the limit from $8,000 to $9,000 for housing loans at a time when costs, especially interest rates, have risen. This will help home buyers.

I laboured through 29 pages of the Labor Party's policy speech, but I could find no reference to this matter.

The Hon. A. J. Shard: We had a lot more important things to set out.

The Hon. D. H. L. Banfield: Have we got a mandate for the Bill?

The Hon. C. M. HILL: By this Bill the Labor Party appears to be establishing a precedent. In supporting this Bill, I urge the Government to pursue this precedent in introducing changes advocated by the Liberal and Country League. If the Labor Party does that, the future progress and welfare of this State will be assured.

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

ADVANCES TO SETTLERS ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 12. Page 642.)

The Hon. C. R. STORY (Midland): I support the Bill, which is along similar lines to the Advances for Homes Act Amendment Bill, which has just been debated. When the principal Act was enacted it must have been quite a breakthrough, because at the time it was not normal for Governments to become involved in this type of financing. The original Bill went before a Select Committee in another place before it was passed. Like many other things that had small beginnings, the very small sums appropriated for the purposes of the original legislation have now grown to such an extent that they are a very important part of rural finance.

When the original Bill was passed in 1930 the bank was able to make loans for improvements to a settler's holdings, such as ringbarking, clearing, grubbing, fencing, draining, erecting or making permanent water improvements (such as dams, wells, tanks, water courses, windmills, and the like), boring for water, erecting permanent buildings, or such other improvements as were prescribed. In addition, the bank was able to make loans to a settler for stocking his holding, discharging any mortgage already existing on his holding, or for any other purpose.

Advances to settlers for housing purposes as we know them today really came into operation in 1944. The provision in this Bill for an increase from $8,000 to $9,000 in the maximum amount that may be advanced is a step in the right direction, because it comes at a time when it can be very well used in rural areas. I was a little surprised today to hear the Minister of Agriculture say that the Government had not taken any initiative in connection with the drought conditions that prevail in many parts of the State. It is no use leaving it to local government, as suggested. The Government has advisers throughout South Australia who make regular reports on the state of the country. Consequently, I was rather surprised to learn that the Minister of Agriculture was not completely up to date in his information on whether we should be taking advantage of Commonwealth drought relief, which has been made available in New South Wales and Queensland.

Unless this State takes the initiative, the Commonwealth Government will not come over the border and say, "You can have some money for drought relief." I do not think we need any additional evidence to show that people in certain parts of the State are in dire straits. Because the Commonwealth provisions for drought relief have been operating for some time, it is now much simpler to establish a drought situation than it was four or five years ago.

The Bill provides for an increase from $8,000 to $9,000 in the maximum amount that may be advanced by the State Bank for housing purposes. Clause 2 amends section 12a of the principal Act, which was last amended in 1968; it provides for advances for housing purposes to settlers within the meaning of the principal Act. The maximum advance under that section is, by the amendment, increased from $8,000 to $9,000. The interest rate is, of course, very important in this type of borrowing. As the loan has a limited term (and is not a long-term loan like that dealt with in the last Bill before the Council) the interest rate must be watched very carefully. I have no objection to the Bill and I am pleased to see that the maximum amount has been increased by $1,000. In passing, I point out that any assistance that can be given to primary producers in this State at present ought to be thoroughly considered and implemented by the Government.

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

ADMINISTRATION AND PROBATE ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 12. Page 643.)

The Hon. F. J. POTTER (Central No. 2): I support the second reading of this Bill, which makes some minor but important alterations to some of the administrative sections of the principal Act. As the Chief Secretary explained yesterday, it removes a restriction on the power of a judge of the Supreme Court to order that administration issue notwithstanding that a prospective administrator has not entered into an administration bond. This

requirement has been with us for a long time, and it has always seemed to me in a way to be a somewhat unnecessary procedure in all the circumstances. It is pleasing to see that it may now be dispensed with in the circumstances provided for in the Bill.

The Bill also clarifies the Public Trustee's powers under section 65 of the Act which requires a conveyance of property to the Public Trustee where a person is not *sui juris*, or not resident in this State, or has no duly authorized agent or attorney in this State. This is a requirement which again, in some respects, has been a little unnecessary because it does not apply in the case of a person who has actually taken out probate and acted under the terms of a will; it applies only in the case of letters of administration. I have often wondered why this provision was necessary; however, I suppose there are some circumstances in which it is desirable to retain this provision. At least the new section will clarify the Public Trustee's powers.

The Bill provides a further increase in the amount that may be released by a bank to the widow of a deceased depositor; I think this is in line with present-day money values. I am pleased to see that the amount has been increased from $200 to $1,200—a large increase, but it is obviously something that has been overlooked or let slide for a considerable time. There is a minor amendment to clause 8 concerning the Public Trustee in his appointment as trustee of property where the trust is exclusively for religious purposes. I do not think that much can be said about the Bill without my going into a long and unnecessary explanation of the original sections in the Act. I am sure that most honourable members at least have some familiarity with this legislation. All in all, I commend the Bill's provisions and I hope that it will have a speedy passage.

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

STATE GOVERNMENT INSURANCE COMMISSION BILL

Adjourned debate on second reading.

(Continued from August 12. Page 645.)

The Hon. R. C. DeGARIS (Leader of the Opposition): This is the second time in three years that I have had the opportunity of speaking to a Bill to establish a Government insurance office and to authorize that office to carry on the business of insurance in South Australia. However, the 1967 Bill and the Bill before us today differ in certain important aspects. I do not doubt that the force of reasonable argument that came from the Council during the debate on the 1967 Bill has influenced the Government in the preparation of the present Bill. Perhaps I should explain one essential difference in the Bills by reading their titles.

The 1967 Bill stated that it was a Bill for an Act to authorize the establishment of a State Government insurance commission; to authorize such commission to carry on the general business of insurance; and for other purposes. However, the Bill before us today states that it is a Bill for an Act to authorize the establishment of a State Government insurance commission; to authorize such commission to carry on the general business of insurance other than the business of life insurance; and for other purposes. So one can see that there is a major difference between the franchise being sought by this Bill and the franchise that was sought by the 1967 Bill.

In 1967 it was expressed clearly in this Council that whatever arguments could be put forward by the Government to enter the insurance field these arguments could not apply to the life insurance field. About 50 life insurance offices operate in Australia; of this number, about 35 operate in South Australia. The societies operating in this field have, for many years, developed an expertise and knowledge that cannot be duplicated or matched by any Government insurance office: no State Government insurance office could supply a service in the interests of policyholders that is not already being supplied effectively and efficiently by established societies. Indeed, the operation of a State Government insurance office in the life insurance area would be limited to within this State's boundaries, both in investments and in many other ways. This could not be in the general interest of policyholders; but, in the establishment of any undertaking, it is the policyholders who must be given prime consideration.

The Hon. T. M. Casey: Then the question of profitability does not enter into it?

The Hon. R. C. DeGARIS: As I pointed out in 1967 (and if the Minister had happened to be in the Council then, he would have heard the full weight of the argument), the important situation is that most life insurance offices are old-established mutual offices, and it would be impossible for a State Government insurance office establishing now to provide

the same facilities in policyholders' interests as are already supplied in South Australia. More than that, many people have a habit of moving from State to State, and a considerable number move to oversea countries. In this regard it is necessary to have a virtual continuity of service—it does not matter where a person moves. This cannot be achieved by a State insurance office. I know there is a whole series of arguments that one can use. For example, there is the matter of the establishment of such an office, which was dealt with fully in this Council in 1967, and that life insurance must be sold, the cost to the companies of selling policies, involving the service of the writing of the policy, amounting to about the equivalent of two premiums. No matter how one looks at this, there is no argument that anyone can put forward to justify the entry of a Government insurance office into the field of life insurance. As I have said, the whole question can be debated point by point, as was done effectively in 1967. In the debate on this Bill, I do not intend to go over all the ground that was covered in 1967—

The Hon. T. M. Casey: It is not necessary.

The Hon. R. C. DeGARIS:—but I believe the Government has accepted that no case can be made for a Government insurance office entering the field of life insurance. I am pleased that it has accepted this as being the correct view. This Bill contains no franchise for the Government to enter that field.

In the areas in which the Government seeks a franchise in this Bill, once again a close examination of the services available to the public from companies already established makes it difficult for the Government to justify an entry into these fields. I distinguish here between the Government entering the field of life insurance and its entering the field of other types of insurance. Although I say there is no case that any Government can make for entry into the field of life insurance, the Government has attempted to make some case stick in regard to other fields; but it is difficult for the Government to justify its action in entering into this area, from the State's point of view.

The reasons put forward in the Chief Secretary's explanation can be regarded as only rather spurious, because the main reasons the Government advances for the establishment of a Government insurance office cannot be substantiated. Therefore, about 75 per cent of the base upon which the argument rests for the introduction of this Bill cannot be other than a pursuit of A.L.P. political ideology. I would have had much more respect for the Government if it had stated this quite clearly in its second reading explanation rather than detailing a whole series of cases against the companies appearing in the insurance field. As I have pointed out, the entry of a Government insurance office does nothing to cure some of the poor practices that have been mentioned in the Chief Secretary's explanation of the Bill.

Also, it is easy to find similar criticisms that are offered in the second reading explanation of the operation of State Government insurance offices in other States. One has only to refer to *Hansard* in the other States to find almost identical arguments being put forward against State Government insurance offices and their practices to those put forward in the Chief Secretary's second reading explanation. I could quote many cases of this. I could quote from *Hansard* in the other States where trenchant criticisms have been made by A.L.P. members, Country Party members and Liberal Party members of the actions of State Government insurance offices in those States, but I will confine my quotes to one quote.

It is from the *Hansard* report of the Legislative Assembly of New South Wales, of August 16, 1968, at pages 163-7. A gentleman by the name of Mr. Bowen, an A.L.P. member, was dealing with the State Government Insurance Office of New South Wales. Anyone with any knowledge of the operation of that office will realize that at present there are $100,000,000 of outstanding claims against it and there is a delay of anything between five and 10 years in getting settlement with that insurance office. I will quote just a few brief extracts from Mr. Bowen's speech:

> The present trouble may well be related to an attitude of mind in the Government Insurance Office that "We are not going to settle cases so readily; we are going to let the delays build up."

Further on, he said:

> In the main, the medical profession is well looked after and its members make their reports and get their fees for them. All the information can be got early. Someone in the Government Insurance Office makes a bitter atack on the legal profession and says that its members are getting too much out of it, but he forgets the £1,000,000 administrative costs. The Government Insurance Office needs the help of the legal profession to reduce this. It would be appropriate to cut these costs substantially. The Government Insurance Office should immediately engage a legal representative whom the plaintiff's counsel could meet in conference. There all the medical expenses and the hospital bills would be available. The counsel for the plaintiff could say to the legal

representative of the Government Insurance Office, "Though we are not dealing with liability, are you willing to make an offer, and if so, what is it, and we shall consider it immediately." This sort of procedure could take the action out of the long list of cases awaiting hearing in the Supreme Court: it would be settled immediately. In fact many cases are so settled. If conferences were made compulsory at this stage, it would attack this problem from the very commencement. We have the problem of looking at a notice in the *Sydney Morning Herald* saying that the solution is that we shall have to get rid of the 1,500 cases first and get rid of the others later. The Attorney-General says that this delay is due to the jury system and if we were to get rid of the jury system the problem would be solved. I submit that we should have negotiations for settlement involving the profession from the very first. The medical profession is involved in treating the unfortunate injured people. If the legal profession also were involved to organize a reasonable settlement, many actions would be settled.

Honourable members will notice that the A.L.P. member is virtually making a very strong plea for an arbitration clause in relation to these very long delays of up to five to 10 years in a person's getting settlement on an accident claim. He goes on:

The client should attend the conferences where possible, but in some cases it would be impossible. This would overcome the disaster where substantial sums have been paid by the Government insurance office on what it said was a reasonable offer, but the clients have been mulcted of thousands of pounds by unscrupulous practitioners who have not indicated to their clients what in fact has been paid. The result is this imbalance where someone says, "I got £2,000", not knowing that £3,000 was paid over in settlement by the Government insurance office, and no-one is caring about what happened to the other £1,000 or whether it went to the police or someone else who might be taking a very keen interest in certain legislation.

What worries me is that while the Judiciary and the profession had to face up to this criticism the problem really stems from the administration of the Government insurance office, in the main, which is more actuated by its concern for its investments portfolio and is unwilling to disclose its investments.

One can go through *Hansards* of the other States and find just as many trenchant criticisms of the attitude of Government insurance offices as the Government has found of some companies who have a record of poor practices in the insurance field. One can find this sort of criticism not only from members of Parliament. Let me quote from an article in the magazine *Nation* called "Highway Robbery" by Mervyn Rutherford, who also supports the attitude of Mr. Bowen in the Legislative Assembly of New South Wales. He states:

The Government Insurance Office has long had a monopoly of third party insurance in New South Wales.

The reason it has a monopoly is that the Registrar of Motor Vehicles will only accept a cheque for both third party insurance and registration where the nominated company for third party insurance is the State Government Insurance Office. Therefore, with this situation the State Government Insurance Office has been able, by its influence over the Registrar, to achieve a monopoly in third party insurance in New South Wales. He goes on to say:

Senior medical men estimate that a person injured in a road accident this Christmas who immediately institutes a claim against the Government Insurance Office will have to wait for something between five and 10 years before the court will be able to give him a hearing. The position is that the Government insurance office will not settle claims out of court unless the injured person's solicitor accepts its offer of a fair and reasonable sum in compensation for his client's injury.

Here we have the situation where the Government Insurance Office, through its influence with the Registrar, has achieved a monopoly of third party insurance; and then when a person has an accident, it makes an offer—not an arbitration offer but merely an offer—to the person and says, "If you do not like it, wait for the court case and you will have to wait five to 10 years before any payment is made."

As I have pointed out, if one wants to quote cases of poor insurance practice against some companies that are operating, then it is perfectly fair to quote the opposite cases in which the State Government insurance offices operating in other States have also been guilty of poor insurance practices. I could refer to many other cases; if any honourable member wishes to chase these cases up he will find any amount of evidence in the *Hansards* of the other States to support what I have said.

As I said earlier, about 75 per cent of the second reading explanation was given over to a recital of poor practices by certain companies. However, the statements in the explanation give no cause, so far as I can see, for the Government to introduce a Government insurance office in South Australia; but then, neither do I believe that the criticisms of Government insurance offices in other States can be held as reasons why the Government should not enter this field. I put this point only to illustrate that State Government insurance offices will not cure the poor practices which are claimed in the second reading explanation. I point out that similar criticisms that have been levelled, almost with a shotgun approach, against all insurance companies

in the second reading explanation can be and have been levelled against the actions of State Government insurance offices in other States.

The Hon. D. H. L. Banfield: Has any action been taken to try to get the Governments out of the business in those States?

The Hon. R. C. DeGARIS: As I have pointed out very clearly, the levelling of criticism against State Government insurance offices in other States is no reason why the Government should not enter the insurance field. I make the claim also that criticisms of present poor practices by some companies (these are not listed in the second reading explanation; there is merely this shot-gun approach) is no real reason why the Government should enter this field. The action of the Government in entering this field is not going to cure in any way the practices which the Government detailed in its second reading explanation. As I said, in the *Hansard* of the other States one can find many instances where A.L.P., Liberal, and Country Party members have voiced their criticism of the actions of State Government insurance offices on many scores.

I now wish to place on record in *Hansard* the general history of State Government insurance offices in the various States of Australia. I will begin with the political history of the establishment of these offices. In Victoria, the State Accident Insurance Office was established following the enactment of a Worker's Compensation Act in 1914, when a Nationalist Government was in power in Victoria. Secondly, the State Motor Car Insurance Office was established following an amendment of the Motor Car Act in 1940, when a Country Party Government was in power.

In New South Wales, the forerunner of the Government Insurance Office was the Treasury Insurance Board which was established in 1911 following the creation of an Internal Insurance Fund at the Treasury, and the scope of the fund at the inception was restricted to the insurance of Government buildings against loss or damage by fire. The objectives were the conservation of Government moneys as represented by the margin of profit previously made by private companies on insuring Government properties; indemnity against serious calls upon public revenue in respect of contingent loss of Government property by fire damage; and additional advantage to be gained at small administrative cost by an efficient and comprehensive system of fire insurance in respect of Government property. The Government Insurance Office in New South Wales was established by a Labor Government.

In Queensland, too, the office was established by a Labor Government. As members will realize, a Labor Government was in office in Queensland from 1915 to about 1957. It commenced worker's compensation in 1916, a fire department in 1917, an accident department in 1917, and a marine department in 1918. In Queensland, of course, the establishment of a State Government insurance office was followed by the establishment of State rural properties, State fisheries, State butcher shops, State canneries, State produce agencies, State hotels, State cold stores, and State mining ventures. One can see from the reports of the Queensland Auditor-General that these enterprises made very large losses and, as a result, in 1938 most of them were discontinued.

It is very difficult to pinpoint the establishment of a State Government insurance office in Western Australia, because it just grew like Topsy. In 1913 a Government workers compensation fund was set up in that State. The State Government Insurance Office was opened in May, 1926, with a monopoly of mining diseases risks, and it absorbed the workmen's compensation fund. In 1943, when motor vehicle third party insurance was made compulsory by Act of Parliament, the franchise of the Western Australian Government Insurance Offices was extended to write this class of insurance. In 1949 the franchise was further extended to include local authorities and friendly societies. The Tasmanian Government Insurance Office was established in 1919.

I shall turn now to the control of State Government insurance offices in the other States. In Victoria, in accordance with sections 65 and 72 of the State Government Insurance Act, both the State Accident Insurance Office and the State Motor Vehicle Insurance Office are under the control of an insurance commissioner. The New South Wales Government Insurance Office is under the control of a general manager, the Queensland office is under the control of a general manager, and the Western Australian office is under the control of a Minister of the Crown, but managed by a general manager. In Tasmania it is under the control of a general manager.

I shall refer now to the question of monopolies. In Victoria the Government has no monopoly whatever of any class of insurance. In New South Wales there is no monopoly, but the office there has achieved a monopoly of third party insurance by the device to which I referred earlier. In Western Australia there

is some monopoly of workmen's compensation insurance. In Tasmania there is a monopoly of hail insurance on apple and pear crops So, in each State where a Government insurance office has been established, except Victoria, some monopoly has developed.

The Hon. C. R. Story: Hail insurance would not be very profitable.

The Hon. R. C. DeGARIS: The honourable member is probably correct. The share of the market enjoyed by the Victorian Government Insurance Office in employers indemnity business is 19.43 per cent, in compulsory third party business 19.7 per cent, and in comprehensive motor vehicle business 6.37 per cent. The New South Wales Government Insurance Office enjoys 20.85 per cent of the business, but this includes the virtual monopoly the office has of third party insurance. If one excludes the class of business of which it has a monopoly, the New South Wales office writes 9.17 per cent of the business in that State. The Queensland Government Insurance Office writes 20.5 per cent of the business, including workmen's compensation, of which it has a monopoly. The Western Australian Government Insurance Office writes 28 per cent of the workmen's compensation business and 26 per cent of the motor vehicle comprehensive insurance business. The Tasmanian Government Insurance Office writes 15 per cent of the total business written in that State.

The award under which staffs work in Government insurance offices in all States except Tasmania is that connected with the Public Service. I come now to the important question of an arbitration clause, about which much criticism has been made in the Chief Secretary's second reading explanation and by many other Labor Party members. I have already referred to the situation in New South Wales, where there is no doubt that the provision of an arbitration clause would be viewed very favourably by most people making a claim on the Government Insurance Office there. In Victoria there is an arbitration clause. In Queensland, although there is no arbitration clause, nevertheless under section 18 of the State Government Insurance Act there is a clause that acts as an arbitration clause. In Western Australia there is no arbitration clause in respect of workmen's compensation but there is such a clause in respect of motor vehicle policies. In Tasmania all Government Insurance Office policies contain arbitration clauses. All this information is factual.

In this State we have no Government insurance office; yet, taken across the board of all insurance policies issued, an insurance cover costs less here than in any other State of Australia. The entry into the field of a State Government insurance office in the other States has not achieved the objective of keeping premiums low. I predict that, once the Government finds itself involved in writing insurance policies, premiums will inevitably tend to rise in South Australia. What other reason can one see for the fact that at present in South Australia we are enjoying insurance premiums across the board that are cheaper than in any other State?

I shall now turn briefly to the Bill itself. I wish to refer to a television broadcast made by the present Premier in 1967 on channel 7. From that television broadcast I wish to take several salient points. The Premier said:

I want to give a realistic explanation of the insurance Bill. It is not intended to be another branch of the Public Service. It will be a commission, a semi-government enterprise, just like the Electricity Trust and the State Bank.

I ask the Chief Secretary to look at clause 3 (3) of the Bill, which provides:

In the exercise and discharge of its powers, duties, functions and authorities, the commission shall, except for the purposes of section 16 of this Act, be subject to the control and directions of the Government of the State acting through the Minister; but no such direction shall be inconsistent with this Act.

I point out that, in the Electricity Trust Act, the State Bank Act, and the Act setting up the Savings Bank there is no Ministerial direction whatsoever; so there is an essential difference between this commission and other trusts the Government has set up. One of the basic philosophies the Parliament has always followed over many years has been that, in establishing trusts, boards, or commissions that carry out functions of a competitive nature, there should be no political control or political interference with such bodies; this basic philosophy has been one of the reasons for the outstanding success of these ventures. For instance, section 15 of the Electricity Trust of South Australia Act, 1946, provides:

The trust shall hold all its assets for and on account of the Crown. The trust shall administer this Act in such manner as in its discretion it deems to be in the best interests of the general public.

However, there is no such provision in the Bill before us. This fundamental principle has stood South Australia in very good stead in structuring its State instrumentalities. Can the Chief Secretary say why this principle has been abandoned? No-one can doubt that

political control of the Electricity Trust, the State Bank, or the Savings Bank would be strongly resisted by an overwhelming majority of South Australian people, and I think that every honourable member would accept that view. What reason can the Government advance now for contravening this accepted principle?

To return to a second salient point made by the present Premier in his 1967 television appearance, he said:

There is no question of out-lawing, absorbing and putting out of business private enterprise organizations but rather to participate and enter into competition. The Bill before Parliament will take particular care to ensure that competition will be fair and on its merits.

One can see that that quote also can be very well related to Ministerial control of the insurance commission. If a Government insurance office is established, we must ensure that the spirit of the Premier's 1967 statement is well and truly preserved in the Bill now before us. Regarding fair competition, I make the following points: first, I believe that the public must be free, in all circumstances, to make their own choice of insurance. On the precedent established by section 20 of the Hire-Purchase Agreements Act and in the interests of fair competition between a Government insurance office and private insurers, members of the public who are beholden to the Government or to any Government agent, or to any semi-government institution, should be neither compelled nor coerced into insuring with the commission.

Having said that, I now look at the possibilities available to the Government in this field. For instance, there are Savings Bank loans, State Bank loans, the various Government departments that lend money and the departments that make grants or subsidies to various organizations, to local government authorities, and to hospitals. Pressure could be exerted on contractors who undertake Government works and on suppliers who tender for the supply of Government stores. There is also the question of the current practice followed by all trustee companies and the Public Trustee to allow insurance to remain with existing insurers when taking over the administration of an estate. Will this present policy of the Public Trustee continue? Will the State Government insurance office, when established, pay for the many services that could be rendered to it by, for example, the Government Printer, the Crown Solicitor, the Public Health Department, the Hospitals Department, the Auditor-General, and the many other bodies on which the Government could call?

Which clause in the Bill protects taxpayers from indirectly subsidizing the operation of a State Government office, and which clause provides for fair and just competition in the matters that I have raised? Will public servants act as agents for the insurance office? In Queensland, public servants are used as Government insurance office agents; indeed, I believe that every policeman is an agent for the office there. One can easily foresee the great difficulties that could occur here as a result of such practices. The Bill requires the payment to the Treasury of certain taxes but, to ensure fair competition and to ensure that the loss ratio and the expense ratio are allowed for on the same basis as similar ratios computed by private insurers, all the factors I have referred to should be taken into account.

In addition to the use of public servants and Government departments, there are such matters as sales tax (to mention just one area of taxation) and local government rating. Will these be taken into account in considering what is fair competition? There is a need to show Government insurance accounts in the same light as private insurers' accounts. Even if the equivalent of taxes other than income tax is paid, it is unsatisfactory if the payment to the Treasury is shown merely as "payment into Consolidated Revenue". This is done by other State Government insurance offices, and it gives the public the completely wrong impression that those offices are trading more profitably than they really are. It is interesting to see that the views I have expressed about fair competition are given effect to in the Australian National Airlines Act in section 38 (2), which stipulates which items of expenditure are properly chargeable to revenue.

Then we turn to capital provision—loans and interest. This is covered in the present clauses 15 (2) and 20 (5) of this Bill, but neither of these clauses makes any provision for maintaining fair competition, to which the Premier referred in 1967. There should be calculated and established a fixed investment of capital in the commission, with an allowance for this capital to be increased as determined from time to time. The ability to increase capital should be measured in accordance with the normal and accepted principles and, therefore, be related to net profit after providing for income tax at public company rates. Loans received by the commission and advances from the Treasurer in connection with the conduct of business should carry interest, which

should be charged against income and should appear as a separate item in the Government insurance office's profit and loss account.

I refer again to the Australian National Airlines Act. In particular, I refer the Government to sections 30, 32, and 35, which set out specifically how all these matters should be handled so that, on the presentation of the accounts, the public can see a truly competitive picture in relation to the operations of the Government in the air transport business.

There are many other aspects of this Bill on which I could comment but I will leave them until we reach the Committee stage. Once again, I express my pleasure that the the Government has accepted the very strong view put forward by all honourable members in this Council in 1967 on the question of entry into the life insurance field. I do not accept the reasons given in the Chief Secretary's second reading explanation as reasons for the Government's entry into other areas of insurance. I accept the proposals before us as an implementation of official A.L.P. policy. I urge that, if a State Government insurance office is established, it be placed on a proper business basis and that it be removed as far as possible from Ministerial and political control.

I do not know whether or not the official A.L.P. platform still has the plank of the introduction of a Government-owned and run newspaper, but that used to be the case. However, let me use this as an illustration. If the Government decides that it wants to establish a Government-owned, operated and run newspaper, should such an enterprise, if authorized by Parliament, be under the direction of a Minister? I pose that question to the Government. Would the Government agree to Ministerial direction of the Australian Broadcasting Commission? I see very little difference between this case and the case of Ministerial control and direction of a State Government insurance office. Over the years, we have established a principle in this State that has stood us in good stead. The Premier in 1967 referred to the Electricity Trust of South Australia and the State Bank, and I believe the philosophy followed in the establishment of those activities should also be followed in the establishment of a State Government insurance office, to make sure that we remove this commission, as far as possible, from political control, in the interests not only of the commission but also of the public of South Australia. As I have said, I shall have further comments to make on this Bill when it reaches the Committee stage.

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

EUDUNDA AND MORGAN RAILWAY (DISCONTINUANCE) BILL

Adjourned debate on second reading.

(Continued from August 11. Page 646.)

The Hon. M. B. DAWKINS (Midland): This Bill provides for the discontinuance of the railway between Eudunda and Morgan, and for other purposes; but, of course, the main purpose is the discontinuance of the line. In view of my previous association with the problems arising from this projected closure, when the area was part of Midland District, I wish to add a few words to those of my colleague, the Hon. Mr. Gilfillan.

Like my honourable friend, I support the Bill, but with mixed feelings. It may be a logical step for this State to take; it may be necessary for this railway, after a long history in the early development of the State, to be closed. Nevertheless, it is a very sad day for the township of Morgan and the small places between that centre and Eudunda. The area, as I have already indicated, is no longer in Midland District but, when it was, I did play some part in trying to maintain facilities for these areas.

In areas such as these, there are people who lead the district; they are the hard core and the leaders in trying to serve the interests of their districts. In this instance, I pay a tribute to Mr. Harry Boord (Chairman of the District Council of Morgan), who is one of those people who have fought hard for his district. People such as he deserve help and encouragement. The firewood industry in Morgan is working under considerable difficulties, and is now diminishing. It may be that the powers that be, or the powers that were, consider this to be an unimportant matter but, unless we are to progress along the road to complete centralization (and I do not think anybody here would want that to happen; it is not in the policy of any political Party) we must from time to time assist and subsidize some country areas to keep them going. In this case, something more should have been done than was done to maintain the viability of Morgan.

The Hon. Mr. Gilfillan commented on the decision of the Public Works Committee on this matter. I pay a tribute to that committee, in that it tried to provide some

assistance for the continuance of this town and district. I am not suggesting that Morgan will suddenly vanish because of the difficulties of the firewood industry, but in a small place like this one or two small industries falling by the wayside can make the difference between an active community and a community that is virtually dying on its feet. In this case, this industry should have been assisted to a greater extent than it was. I say that the Public Works Committee did try to have special consideration given to this industry. The Hon. Mr. Gilfillan quoted the following recommendation:

The committee adopts the recommendation of the Transport Control Board that the Eudunda-Morgan railway line be closed but subject to the provision by the South Australian Railways of an alternative means of freighting firewood from the existing communities between Eudunda and Morgan at standard firewood rates because of the opinions set out in paragraph 3 of this report.

It now appears that probably the Public Works Committee, as the Hon. Mr. Gilfillan said later in his speech, should have said "No" to this situation unless and until something concrete was promised to help the situation in Morgan. I believe that the only assistance (if one can call it that) that has been given to these areas has been the provision of a ramp at Eudunda in order that wood may be loaded there on to railway trucks, and I believe that this has not been sufficient help to the people in that area.

I am sorry if this means not only the placing in jeopardy of the firewood industry in Morgan and Mount Mary but also a possible increase in the cost of firewood in Adelaide to people who can least afford to pay the extra cost. Had a subsidy of some $6,000 a year been granted to subsidize the cost of transport of that firewood it would have been a worthwhile gesture, for the cost to the Railways Department in keeping the line open would be many times that amount.

I agree with the Hon. Mr. Gilfillan that if the Public Works Committee cannot make qualifications such as it tried to do in this particular case, and if it has to make decisions in a fairly short time, as was mentioned by the honourable member, the committee probably will have to say "No" in the first instance to all borderline cases such as this one. However, whilst I express my regret at the course the matter has taken, I do with reluctance support the Bill.

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

MOTOR VEHICLES ACT AMENDMENT BILL

(Second reading debate adjourned on August 12. Page 648.)

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"An action for negligent use of a motor vehicle may be maintained between spouses."

The Hon. C. M. HILL: When I spoke to this Bill yesterday I drew the Government's attention to the possible introduction of an amendment in this clause. I understand that the Government is favourably considering this matter but that time has not permitted a complete investigation into the wisdom or otherwise of the amendment being placed on our files. In these circumstances, perhaps the Chief Secretary will report progress.

The Hon. A. J. SHARD (Chief Secretary): As another honourable member had secured the adjournment of the debate on this matter, we have been caught a little on the hop, with the result that the question raised by the Hon. Mr. Hill has not yet been considered. Therefore, I ask that progress be reported.

Progress reported; Committee to sit again.

ADJOURNMENT

At 4.12 p.m. the Council adjourned until Tuesday, August 18, at 2.15 p.m.