

## LEGISLATIVE COUNCIL

Thursday, August 26, 1971

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

## ASSENT TO BILLS

His Excellency the Governor, by message, intimated his assent to the following Bills:

Church of England Trust Property,  
Cottage Flats Act Amendment,  
Lifts Act Amendment,  
Local and District Criminal Courts Act  
Amendment,  
River Murray Waters Act Amendment  
(No. 2),  
Supply (No. 2),  
Supreme Court Act Amendment.

## QUESTIONS

## SALISBURY TEACHERS COLLEGE

The Hon. E. K. RUSSACK: Has the Minister of Agriculture, representing the Minister of Education in another place, a reply to the question I asked recently concerning the Salisbury Teachers College?

The Hon. T. M. CASEY: My colleague the Minister of Education has informed me that 630 students are currently enrolled at the Salisbury Teachers College and students from other States are accepted. The present numbers of students attending the college from interstate are: New South Wales, 143; Victoria, 39; Western Australia, 2; Tasmania, 1; and Queensland, 1.

The Hon. M. B. DAWKINS: Because I was surprised at the number of students from other States attending the Salisbury Teachers College, will the Minister of Agriculture ascertain from the Minister of Education whether there is a reciprocal arrangement with colleges in other States whereby this imbalance can be corrected or minimized?

The Hon. T. M. CASEY: I will refer the honourable member's question to my colleague and bring back a considered reply. In my experience, it has been the custom for some New South Wales students, particularly those from Broken Hill, to enrol in South Australia. I know some such students personally, and I have met many others. That does not mean that all Broken Hill students subsequently become teachers in South Australia, for many enter the New South Wales Education Department, too. However, it accounts for the high number of students (I think 143) from New South Wales in South Australia.

## LOCUSTS

The Hon. A. M. WHYTE: Has the Minister of Agriculture a reply to the question I asked on August 19 regarding a possible locust plague in the Copley area?

The Hon. T. M. CASEY: The Senior Research Officer (Entomology), Mr. P. Birks in the Department of Agriculture has assured me that no grasshopper or locust activity (either egg laying or hatching) has been reported from the Copley district to the Department of Agriculture recently. The entomologist considers that if there is activity in the area it is unlikely to be plague grasshopper; it is more likely to be plague locust or other species of grasshoppers which are sometimes locally abundant in pastoral country. Departmental officers this week have contacted several land-owners in the area, but no hatching or outbreaks are known, so it would seem most unlikely that there is a widespread outbreak. In this regard, however, honourable members can materially assist the Department of Agriculture in its efforts to contain this potential menace by providing accurate and detailed information to either the local district council or (in areas outside council boundaries) the Chairman of the Pastoral Board, Adelaide, or the nearest police officer. A report of a hatching of what is suspected to be plague grasshoppers at Mern Mora, some 26 miles north of Hawker, is to be inspected next week by the entomologist from the Department of Agriculture.

## TERINGIE HEIGHTS

The Hon. C. M. HILL: I ask leave to make a short explanation before directing a question to the Minister of Lands representing the Minister of Environment and Conservation.

Leave granted.

The Hon. C. M. HILL: I have received representations from a person who lives in, and is in close contact with other residents who live in Teringie Heights, which is in the eastern Adelaide Hills. This gentleman has complained that quarrying operations seen from homes at Teringie Heights and carried out along the south side of the Old Norton Summit Road have reached such proportions that the preservation of the amenity of the area is being seriously affected. I have inspected the area with my informant, who is a constituent of mine and a keen conservationist. My questions are: is this problem being policed carefully under the provisions of the Mines and Works Inspection Act Amendment Act, 1970; if not, will an inspector visit the area to look into the matter?

The Hon. A. F. KNEEBONE: I will be happy to take the honourable member's queries to my colleague and bring back a reply as soon as possible.

#### CLOSURE OF SCHOOLS

The Hon. M. B. DAWKINS: I seek leave to make a short statement before directing a question to the Minister of Agriculture, representing the Minister of Education.

Leave granted.

The Hon. M. B. DAWKINS: My question refers to the probable closure of a number of primary schools in the rural areas of South Australia as from the beginning of 1972. I believe that these are mostly one-teacher schools. I understand the Minister has found it necessary to close several small schools in the State, particularly in the Midland District, from the beginning of next year. If this information is correct, will the Minister of Agriculture ask the honourable gentleman to make available details of alternative transport arrangements and schools for the children concerned in these changes?

The Hon. T. M. CASEY: I will refer this question to my colleague, but no doubt the honourable member is aware (as is every honourable member) that the closing of schools in country districts has been the department's policy for some time. It is not an action that has taken place overnight. I am sure that the Minister of Education will consider providing the appropriate facilities for these children, but I will obtain a report from him.

#### RURAL ASSISTANCE

The Hon. M. B. CAMERON: Can the Minister of Lands say, first, what total amount has the rural reconstruction committee granted to successful applicants; secondly, how many applicants have been successful; thirdly, over what period has the committee examined applications; fourthly, whether he is concerned at the lack of flow of this money into areas where it is needed; and fifthly, does he intend to ask the Commonwealth Government to further reconsider this scheme in order to ascertain whether money can be made available on much easier terms?

The Hon. A. F. KNEEBONE: I could probably supply the information for one or two of these questions but, because of the wide nature of the queries, I would prefer to obtain a considered reply and will do so as early as possible.

#### WHEAT

The Hon. L. R. HART: Has the Minister of Agriculture a reply to the question I asked on August 19 about the possibility of hard wheat quotas for South Australia?

The Hon. T. M. CASEY: I must confess that there is no reference to hard wheat quotas in the reply I have, but I shall read the report I have received from the Assistant Manager for South Australia of the Australian Wheat Board which states:

With reference to the leasing of standing crops, we understand that, following the recent joint deputation of the Australian Barley Board and ourselves to the Minister, he made strong representations to the Agricultural Council to initiate amending legislation to obviate the leasing or sale of standing crops. As was pointed out by the Minister in the Legislative Council, section 92 of the Commonwealth Constitution does legalize interstate trading. However, the board and the Australian Wheat-growers Federation are most concerned at the practice, the growth of which poses a serious threat to orderly marketing. Negotiations are currently taking place which, if successfully concluded, will minimize the practice. Whilst the Australian Wheatgrowers Federation negotiates with the Commonwealth Government on behalf of wheatgrowers, the Wheat Board is not subject to federation control. It is a separate entity with the duties and powers defined in the Wheat Industry Stabilization legislation of the Commonwealth and State Parliaments.

#### MATRICULATION CLASSES

The Hon. C. M. HILL: I seek leave to make a short statement before asking a question of the Minister of Agriculture, representing the Minister of Education.

Leave granted.

The Hon. C. M. HILL: I understand that in my district in the Glenelg area the Minister of Education recently talked to a Matriculation class at one of the private schools. I am not being critical of the Minister in this matter; in fact, I compliment him on the manner in which he talks to schoolchildren. For my own information, I should like to know how many Matriculation classes have been addressed by the Minister in both public and private schools in South Australia in the last 12 months.

The Hon. T. M. CASEY: I will refer the question to my colleague in another place and bring back a reply as soon as possible.

#### SECOND MAJOR CITY

The Hon. E. K. RUSSACK: I seek leave to make a short explanation before addressing a question to the Chief Secretary.

Leave granted.

The Hon. E. K. RUSSACK: Recently, in one of South Australia's daily newspapers, there appeared the following article:

The Government should be planning to set up a second major city in South Australia, the Chairman of Town and Country Planning Association (Mr. D. J. Higbed) said last night. . . . Mr. Higbed was commenting on a statement by the Minister of Conservation (Mr. Broomhill) at Saturday's Australian and New Zealand Association for the Advancement of Science symposium on "Population . . . Main Polluter?" Mr. Broomhill said: "If Adelaide is now big enough, should we not be thinking of another major city or satellite, say at Murray Bridge, McLaren Vale, Wallaroo or elsewhere?"

As I am directly and vitally interested in the welfare of the Wallaroo district, can the Chief Secretary, as the Leader of the Government in this Chamber, say whether there is any substance in this statement as future planning policy?

The Hon. A. J. SHARD: Nothing definite has so far been decided and a final statement has not been placed before Cabinet for general discussion. However, I assure the honourable member the merits of Wallaroo, Kadina and Moonta, in particular, have been well in the discussions.

The Hon. M. B. CAMERON: Following that question and reply, can the Chief Secretary add Mount Gambier to the list?

The Hon. A. J. SHARD: Mount Gambier, too, has been well in the discussions.

#### ABATTOIRS

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: On one of the television programmes last night much publicity was given to the conditions existing at the sale yards of the Metropolitan and Export Abattoirs Board at Gepps Cross. Present conditions in those yards are most unsatisfactory and, no doubt, have been contributed to by the considerable amount of wet weather we have had recently. Another contributing factor is that many of those yards are not cleaned out from week to week, the reason being lack of finance on the part of the board itself. Much pressure has been put on the producers for them to market their lambs in a clean condition. The producers have met this requirement very well. It is unfortunate that, at the final point of selling, these conditions should exist and perhaps jeopardize our oversea markets. Will the Minister take up

the matter of the Government perhaps helping to finance the board to such an extent that it can keep these yards in a satisfactory hygienic condition?

The Hon. T. M. CASEY: I assure the honourable member right from the jump (and I am sure other honourable members are aware of this) that the state of the yards has nothing to do with export markets. Whether a sheep is acceptable in the lairages depends on the Department of Primary Industry. If the sheep are dirty, they are not accepted in the lairages. This is nothing to do with the losing of an export licence or export trade in this respect. As I did not see last night's television programme, I cannot comment on it. However, I am pleased the honourable member has said that adverse seasonal conditions have a big bearing on the condition of the yards. Indeed, in a recent visit to New South Wales, I saw at Homebush, where there are some of the best yards in the Commonwealth, that they were experiencing difficulties in certain weeks of the year because of the adverse seasonal conditions. This is a statement of fact, as I am sure most honourable members would realize. I will refer the honourable member's question to the board for its perusal, and I will bring back a reply for the honourable member when it is available.

#### ROADS

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

Leave granted.

The Hon. C. M. HILL: On October 13 last year I was told, in answer to a question I asked, that the Highways Department's road programme for 1969-70 included an amount of \$12,583,981 which was to be spent on declared urban arterial roads that are part of the roads and routes shown in the Metropolitan Adelaide Transportation Study Report. The Minister continued:

This figure included Commonwealth funds totalling \$7,780,000. The corresponding expenditure for the 1970-71 financial year is estimated to be \$12,896,850, including Commonwealth funds of \$9,450,000.

Will the Minister of Lands therefore ascertain from his colleague what was the actual expenditure for 1970-71, what is the estimated cost for the same purposes for 1971-72 and what proportion of that sum is Commonwealth money?

The Hon. A. F. KNEEBONE: I will discuss the honourable member's question with my colleague, attempt to obtain the figures he is seeking, and bring back a reply as soon as possible.

#### AGRICULTURE DEPARTMENT

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

Leave granted.

The Hon. C. R. STORY: About two years ago the State Government transferred to the Agriculture Department the Struan homestead property in the South-East, and plans were in hand when I left office as Minister of Agriculture for it to become the regional headquarters for the Agriculture Department's activities in the South-East. Will the Minister ascertain whether Struan homestead has become the department's headquarters and whether the department's activities have moved from Naracoorte to Struan, and will he also give a general report on the use being made of the Struan homestead property?

The Hon. T. M. CASEY: The honourable member is correct in saying that Struan was to become the regional headquarters of the Agriculture Department in the South-East. Earlier this year I went to that area and made a comprehensive inspection of the homestead. It was resolved then that much money had to be spent on upgrading the building, both inside and outside, to make it suitable for the office accommodation that would be required in moving the department's staff there from Naracoorte. This has been approved, and I hope it will not be long before that work is completed. However, much work has to be done; for example, the whole building has to be electrically rewired. Alterations to the building will be necessary because all the plumbing has to be renewed. In addition, more ablution facilities will be needed. These things take a considerable time to complete but I hope that, when they are completed, we will be able to move the existing staff at Naracoorte to Struan. At this stage I cannot say exactly when that move will take place, but I will try to get a reply for the honourable member.

The Hon. C. R. Story: How much money will be involved?

The Hon. T. M. CASEY: I think more than \$80,000.

#### RURAL YOUTH CENTRE

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

Leave granted.

The Hon. L. R. HART: Over a long period I have asked the Minister questions about the building of a Rural Youth centre in conjunction with the agricultural building complex at Northfield, and on each occasion the Minister has replied that the matter is still in the hands of the Public Works Committee. Will the Minister try to expedite the committee's consideration of this project, and can he say what the possible attitude of the Government will be to the project, assuming that the committee reports favourably on it?

The Hon. T. M. CASEY: I will see what I can do in regard to that matter. However, I cannot give the honourable member an undertaking about what the Government will do, because I do not know what the findings of the Public Works Committee will be.

#### PAY-ROLL TAX BILL

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

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

*That this Bill be now read a second time.*

The need to introduce this legislation and to introduce it at this time arises directly from decisions (taken at the Premiers' Conference of June, 1971) to vary the arrangements for sharing national revenues more equitably between the Commonwealth and the States. Following submissions from the States over a long period and against the background of a rapid deterioration in the States' Revenue Budget resources, the Commonwealth considered the practicability of transfer to the States of a major growth tax which the States could vary themselves according to their Budget needs.

At the meeting in June last the Prime Minister explained to the Premier that, because of the constitutional barrier that prevents States from imposing a sales tax and because of the Commonwealth's view that income tax should remain fully in its own hands for purposes of economic and financial control, it had been decided to offer the States the complete field of pay-roll tax. I make it clear that the offer was made as part of a package arrangement under which there would amongst other things be a special addition to the Financial Assistance (or Tax Reimbursement) Grants in 1971-72 and future years, together with a supplementary grant to be made available for 1971-72 only. The arrangement was broadly as follows:

(1) On the estimates supplied by the Commonwealth, aggregate pay-roll tax collections in 1971-72 (under existing conditions and at the existing rate of 2½ per cent) were expected to be about \$334,000,000 in the six States (and about \$27,300,000 in South Australia). The amount that would be actually accrued to the States in 1971-72 would depend on the date of take-over of this power by the States, and that amount would be deducted from the Financial Assistance Grants otherwise payable to the States.

(2) A special Commonwealth contribution of about \$22,400,000 for all States would be added back into the Financial Assistance Grants for 1971-72 and would be incorporated in the base for escalation in future years.

(3) A supplementary grant of \$40,000,000 for all States would be made by the Commonwealth for 1971-72 only, in recognition of the States' particular current problems.

The Commonwealth also offered to assist the States to free local government from the necessity to pay pay-roll tax in respect of all its activities other than business undertakings. Thus an amount is to be added back to the Financial Assistance Grants corresponding to the cost to each State of helping local government in this way. The Commonwealth is also prepared to assist the States by meeting their estimated costs of collection of the tax. The States were unanimous in asking the Commonwealth to continue its existing organization and to collect the tax on behalf of the States, but the Commonwealth was not prepared to do so, and accordingly each State must provide its own legislative framework and its own administration. The Commonwealth has naturally given the co-operation of its officers to assist us in this regard. The States having accepted the offer of the Commonwealth, two matters remained for determination: the rate at which the tax was to be levied and the day on which the States would commence to tax.

It is clear in the terms of the package arrangement outlined that some increase in rate was inevitable since the financial grants to the States are to be adjusted downwards by about the amount that the Commonwealth would lose by vacating the tax at the rate of 2½ per cent. Hence, if the States retained the rate of 2½ per cent there would be a negligible net increase in revenue (what was gained on the tax swings would be lost on the grants roundabouts, as it were). This then is the reason for the increase to 3½ per cent, the yield from the 1 per cent increase being in effect the real increase in accruals to the States.

Since no additional revenue will accrue until the States enter the field, every State is anxious that it gets under way as soon as possible. For this reason a common date, September 1, 1971,

has been agreed upon. It is clear, however, that the Commonwealth will not vacate the field until it is certain that all States will be in a legislative position to impose tax from that day. All parties are naturally anxious to ensure that there is no double taxation, which itself may raise constitutional and administrative difficulties.

After lengthy and exhaustive discussions between officers representing the States and the Commonwealth, the following scheme was proposed to meet the situation. Each State will submit legislation to its Parliament that, in terms, imposes a tax from September 1, 1971. However, the legislation will of itself ensure that wages that are liable to taxation under the Commonwealth Act will not be liable to taxation under the State Act. The Bill now before you gives effect to this scheme. Further, this Bill makes provision to guard against the unlikely contingency that the Commonwealth would be unable to vacate the field with effect from September 1, 1971, and provision has been inserted in this measure to enable it to be modified to have substantial effect from a later day being the day on which the Commonwealth does, in fact, vacate the field.

Although operation from September 1 requires returns to be lodged and payments to be made at the beginning of October, it is necessary that the legislation of all States and the Commonwealth be passed and in force within the first half of September at the latest; otherwise, administration will become quite impracticable and each month's delay would cost this State about \$750,000 in revenues and all States together more than \$9,000,000. The main effects in the South Australian Revenue Budget for 1971-72 to be introduced early next month are expected to be approximately as I shall now describe.

The pay-roll tax to be actually collected in this State on existing conditions and at the existing rate of 2½ per cent in the nine months October to June (on salaries and wages paid or payable in the nine months September to May) would be about \$21,200,000. The Commonwealth grant is first to be reduced by a corresponding amount. However, about \$2,100,000 is to be added back to our grant in terms of the Commonwealth offer and escalated in future years, and a supplementary grant of \$4,300,000 is to be paid for 1971-72 only. The Commonwealth grant is also to be increased by about \$300,000, being the estimated cost of freeing local government non-business undertakings, and by about \$45,000, being the estimated

cost to us of administration in the nine months of this year. The \$21,200,000 which would be collected as State taxation by South Australia in the nine months of 1971-72 on existing conditions, and at the existing rate of 2½ per cent, would be reduced by the \$300,000 estimated cost of freeing local government.

It has been proposed by all States that the ambit of the pay-roll tax shall remain as it has been with the Commonwealth and that the exemptions shall continue as before at least until the States have had some experience with the levy. It is, however, open to each State to decide whether or not to continue pay-roll tax on State Government departments. We see no point in doing so, with minor exceptions, and accordingly this Bill exempts from tax the pay-rolls of Government departments except the Highways Department and the Motor Vehicles Department. The provisions for road purposes by both State and Commonwealth Governments have been determined having regard to the commitment to meet pay-roll tax and it seems sensible and equitable that it continue. The tax will continue on all statutory bodies now liable.

The lifting of pay-roll tax from our own departments is estimated to reduce collections by about \$3,600,000, and, of course, it will decrease payments by departments correspondingly. The amount transferred from the Commonwealth, less the effect of freeing local government and most Government departments, would become about a net \$17,300,000. As to the reductions in payments by Government departments which will follow from their exemption from pay-roll tax, these will be primarily in respect of Revenue Account (probably more than four-fifths) but partly in respect of Loan Account and some working accounts such as that of Woods and Forests Department. It has been the consistent practice in this State to bring pay-roll tax to debit in the month in which salaries and wages have been paid, and to hold the aggregate amount in a special deposit account over the end of the month for payment to the Commonwealth early the following month as required by its legislation.

It follows that, in order to make three payments to the Commonwealth in July, August and September, it will be necessary to bring to debit only two months' pay-roll tax in July and August, an amount of \$407,000 having been brought to debit in 1970-71 in respect of June salaries and wages and held in the deposit account at June 30 for payment to

the Commonwealth early in July. The charges to Revenue Account which would have amounted to a little more than \$4,000,000 for pay-roll tax at 2½ per cent for the full year 1971-72 will now aggregate only about \$700,000. The major savings on works financed from Loan Account and carried out with departmental labour will be secured by the Engineering and Water Supply, Public Buildings, and Railways Departments.

Before embarking on an examination of the individual clauses of this measure it may be helpful if I indicate some of the considerations that gave rise to the technical form and substance of this Bill. The prime consideration was to ensure that the majority of taxpayers in this State, that is, those whose activities are entirely undertaken within the State, should suffer as little inconvenience as possible. So far as is practicable they should be able to make their returns in exactly the same manner as before, the only difference being that the returns should be made to the relevant State authority rather than the Commonwealth authority. Where the activity of the employer encompasses more than one State some additional action will be required, but again this has been kept to an absolute minimum.

For these reasons in appropriate cases the provisions of the Commonwealth Bill have been carried forward *verbatim* in the State legislation and this principle has only been departed from where it has been necessary in the light of the changed circumstances or on the ground that the departure will be of benefit to the taxpayer. Necessarily, to enable those whose business extends over more than one State to have their liability determined in a similar way as between the States, many provisions of this Bill must be uniform as between the States; others, of course, are only of concern to this State. As a rough guide, these "uniform provisions" will be found generally in Parts I, III, IV and V.

Clauses 1 and 2 are formal. Clause 3 (1) sets out the definitions necessary for the purposes of the measure. Subclauses (2) and (3) are self-explanatory. Subclause (4) makes it clear that this measure will not impinge on wages that are subject to tax under the Commonwealth pay-roll tax legislation; such wages are, in terms, not taxable wages within the meaning of this Bill. Clause 4 is included merely as a precautionary measure. If for some reason the Commonwealth is unable to vacate the field with effect from

September 1, 1971, this clause provides the necessary machinery to enable this Bill to have operative effect from a later day, this later day being the day on which the Commonwealth so vacates the field. As I have said, this is a very unlikely contingency but in the Government's view it would be irresponsible not to provide for it.

Clauses 5 and 6 are fairly standard administrative provisions; the measure will be administered by the Commissioner of Stamps. Clause 7 is, again, a relatively standard secrecy provision and is based on the corresponding provision in the Gift Duties Act. However, provision has necessarily been made to permit disclosure to Commonwealth and State authorities administering corresponding laws. In addition, provision has been made for disclosure with and in accordance with the consent of the taxpayer or any other person affected. Since the so-called secrecy provisions are intended to protect the taxpayer, it is somewhat incongruous if they were framed to prevent disclosure when it would be to his advantage.

Clause 8 is, of course, the key provision in the Bill, being the provision that determines liability. Broadly, wages that are (a) paid or payable in this State for services rendered in this State; or (b) paid or payable outside this State for services rendered in this State, are returnable in this State and hence taxable. Paragraphs (c) and (d) constitute a transitional provision to ensure that no wages in respect of which tax has been paid under the Commonwealth Act will attract tax under the Act of this State. Subclause (2) is intended to deal with the case of wages that are payable but have not been paid where it is not clear or indeed cannot, at the time, be ascertained as to where they will actually be paid. The application of this provision to such wages should ensure that those wages in all circumstances will have attributed to them a notional place of payment that will play its part in fixing liability to taxation under subclause (1) of this clause. Subclause (3) also provides the basis of a place nexus for the payment of wages where wages are paid by negotiable instrument.

Clause 9 formally imposes a pay-roll tax at the rate of 3½ per cent, and clause 10 provides that it will be paid by the employer. Clause 11 deals in general with the question of apportioning the amount of exemption from pay-roll tax. Following the substance of the Commonwealth Act, the first \$20,800 of an annual pay-roll is exempt from tax. For the

period ending June 30, 1972, this exemption will, of course, be reduced in proportion to the months remaining in that period during which the State legislation is in operation, the balance of that financial year's exemption having already been granted under the Commonwealth legislation.

Where wages are returnable wholly within this State there is no problem, but where wages paid by a single employer are returnable in two or more States the exemption must be apportioned and the apportionment must necessarily reflect the amount of wages paid in each such State. This provision then provides for apportionment as between States and it, of course, will be supported by corresponding provisions in the legislation of other States. Clause 12 follows generally the corresponding provision in the Commonwealth Act with some minor drafting modifications. As adverted to earlier, it exempts wages paid by "councils" as defined except in so far as those wages are payable in respect of business activities of those councils. In addition, payments made by the State Government departments are also exempt except to the extent indicated in paragraph (f) of this clause. Necessarily the taxing of State Government departments by the State would only be by way of book entry of a non-revenue producing nature. The exception proposed in paragraph (f) will, however, effectively release the amount of tax paid to revenue.

Clause 13 provides for a refund of a tax paid where the total wages paid do not exceed the amount of the general exemption referred to in relation to clause 11, and is primarily concerned to deal with questions that arise when tax is paid in more than one State. Clause 14 provides for registration as an employer, and at subclause (3) provision is made to continue in effect previous registration under the Commonwealth Act. Clause 15 provides for monthly returns of wages paid, and at subclause (2) provision is made for returns to be provided covering a longer period if, in the Commissioner's view, it would be unduly onerous for the employer to be required to submit monthly returns. At subclause (4) any arrangements under the Commonwealth Act having the effect of an arrangement under subclause (2) will continue in operation. Subclause (5) is a transitional provision, amongst other things, to facilitate the determination of final tax liability to the Commonwealth by, if necessary, adjusting the prescribed period for lodging returns under the Commonwealth Act.

Clause 16 provides in appropriate cases for the Commissioner to exempt an employer from furnishing returns without affecting that employer's liability for tax. Again, appropriate arrangements under the Commonwealth Act are continued in operation. Clause 17 provides for the Commissioner to call for further or fuller returns in appropriate cases. Clause 18 empowers the Commissioner to seek such information as is necessary to determine a person's liability or entitlement under this measure. Clause 19 provides that pay-roll tax is payable at the time the return is made relating to the taxable wages on which the tax is payable.

Clause 20 empowers the Commissioner to make his own assessment of the tax payable by an employer. Subsection (2) limits the power of the Commissioner when the question arises as to the apportionment of exemptions as between States. In that case he must look to the apportionment before he can make his further assessment. Clause 21 provides for refunds of overpaid tax, and clause 22 provides a continuous appropriation to meet these refunds. Clause 23 enables an immediate assessment to be made where it appears that the interests of the revenue should be protected. Clause 24 provides for the extension of time to pay tax and for the payment of tax by instalments.

Clause 25 sets out the circumstances in which additional tax may become payable, and also provides for the remission of this additional tax in appropriate cases. Clause 26 provides for the recovery of tax by the Commissioner, and clause 27 provides for substituted service in appropriate cases. Clause 28 sets out in some detail the duties of a liquidator under this Act, and clause 29 sets out the duties of the agent for an absentee principal when that agent is engaged in winding up the business for that principal.

Clause 30 provides for the collection of tax owing by the estate of a deceased employer by reason that the tax was not paid in the lifetime of the employer, and is somewhat less stringent than the comparable Commonwealth provision. Clause 31 sets out in some detail the rights and liabilities of the executors or administrators of an estate in relation to tax due and payable. Clause 32 provides that tax paid by one person on behalf of another person may be recovered by that first-mentioned person or may be recouped from any money in his hands that belongs to the person on whose behalf the tax was payable.

Clause 33 deals in some detail with the liabilities, between themselves, of joint taxpayers. Clause 34 gives the Commissioner the right, in effect, to garnishee debts due to the taxpayer to satisfy the taxpayer's liability to the Commissioner. The effect of such an action is, of course, to the appropriate extent to discharge the debtor of his debt to the erring taxpayer. Clause 35 provides for an appeal procedure which generally follows that set out in the Gift Duty Act.

Clause 36 provides that a pending appeal or objection shall not of itself affect a liability to pay tax, and clause 37 provides for appropriate refunds or adjustments to be made following a sustained appeal or objection. Clause 38 is a general penalty provision which is self-explanatory. However, I would draw honourable members' attention to the defence provided by subclause (2). Clause 39 provides for additional tax in the circumstances set out in that clause, and clause 40 provides a substantial penalty in the case of offences akin to perjury. Clause 41 provides a penalty for tax evasion.

Clause 42 extends the time within which prosecutions for an offence against this Act may be commenced. The justification for this appears that most offences against this Act are sins of omission rather than commission, and hence are somewhat difficult to detect particularly if the time available for the detection is limited. Clause 43 provides that payment of penalties under the measure do not relieve the person penalized from his liability to pay tax. Clause 44 is a fairly standard clause prohibiting the obstruction of people acting in the execution of their duty under the measure.

Clause 45 provides for the appointment of a public officer by a company, which, as will be noted at clause 3, is given a somewhat extended meaning. This provision is somewhat less stringent than the corresponding Commonwealth provision in that under this provision such a public officer need only be appointed if the Commissioner requires such an appointment to be made. Under the corresponding Commonwealth provision every company was required to appoint a public officer. Clause 46 sets out in some detail certain provisions applicable to agents and trustees, and clause 47 sets out in similar detail the obligations of a person in receipt, control or disposal of money of a person resident out of the State.

Clause 48 provides for the preservation of books and records for a period of five years



next following the completion of the transaction to which the books and records relate. Certain exemptions are contained in subclause (2). Clause 49 enables the Commissioner or a person authorized by him to enter buildings, etc., for the purposes of this measure, and I emphasize that such entry is only lawful when it is for the purposes of this Act. Clause 50 is a somewhat detailed evidentiary provision but it is suggested that in the circumstances of a taxing measure they do not unduly impinge on the rights of the citizen and generally they should serve to keep the costs of proceedings down.

Clause 51 provides for the service of documents, etc., by the Commissioner, and clause 52 provides for the service of documents on the Commissioner. Clause 53 again is an evidentiary provision and relates to the institution of prosecutions. Clause 54 provides for the protection of witnesses called on behalf of the Commissioner and follows a similar provision in the Commonwealth Act. Clause 55 provides that the minimum penalties provided for in this measure shall not be subject to reduction. I would point out that following the Commonwealth precedent the minimum penalties are generally of the order of \$2, Clause 56 provides that, except for the offence set out in section 40 of this Act, all offences may be dealt with summarily. Clause 57 sets out the appropriate regulation-making powers.

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

#### PUBLIC PURPOSES LOAN BILL

Adjourned debate on second reading.

(Continued from August 25. Page 1072.)

The Hon. H. K. KEMP (Southern): I am conscious of the fact that, although before this Council there is consideration of the disposal of \$142,000,000 of borrowed money, upon which interest must be paid and which eventually must itself be repaid, the only Parliamentary publicity given in this morning's paper was reference to such matters as seat belts and little social troubles. The real problem is: how do we get through? That is the point in our consideration of these Loan Estimates involving a huge amount of money which, together with the interest on it, must be repaid.

Over the last few years we have seen a progressive deterioration in responsibility for this future repayment, which must worry us as a community. The Leader yesterday pointed out that, in the overall amount of money, there is an unaccounted for balance of about

\$15,000,000, which is being kept back for purposes not revealed to us in these Loan Estimates.

No doubt, the Government has good reason for this and eventually its story will come out, but it will be appreciated that there is a big margin between this table showing how all this money is to be allocated and spent and a balance that is concealed, as far as I can assess the position. If I am wrong in that, I will apologize, but I do not think I am wrong. The point must be taken that the money that is borrowed and invested in this State must, as far as possible, be placed in channels in which it will return us in production, services and value more than it costs us.

As we look down the table of proposed expenditure, we notice many items that can never do what I have just suggested; they must eventually become a heavy charge on the State's revenues because of the basic fact that interest must be paid on this money, and the money itself must eventually be repaid. I do not propose to go into great detail here but I should like to emphasize some of the points that obviously need to be dealt with.

I do not think there is any question but that the allocation to the State Bank, as would be expected of it as a responsible financial institution, is clearly in order, as is the case with the Highways and Local Government Department, too. In fact, the allocations there are smaller than they could be, because undoubtedly in the State's development roads and highways are important. That department could make much more profitable use of this money than it is being made use of in other directions.

There is an allocation of \$470,000, under lands, irrigation and drainage, for national reserves. I do not question that we should be spending all we can on appropriating land that has not already been allotted to future reserves, but this \$470,000 must carry interest and ultimately must be repaid. I do not see how a reserve, which is material lying idle for many years ahead, can do that. Inevitably, reserve moneys must lie fallow, and this type of expenditure should be met out of revenue, not out of Loan funds. The next item is worrying: it is the Railways Department, for which \$7,900,000 worth of Loan moneys is proposed. We already know there is a huge amount of money that has, in past years, been allotted to the railways. That stands as an almost insuperable debt, and there is little likelihood of its being compounded and resolved. This year, \$7,900,000 is being added to it.

In the past, the railways have been vital (in fact, almost an integral part) in the development of this State. This phase has passed. Today, so many of the assets of the railways are tied up in land, thousands of miles of fences, and lines that are barely economic, but I think the time has come for a completely new basic study to be made of the railways. To put another \$8,000,000 into railway finances without any sense of the future profitability of the railways (which is most doubtful) is to add to that burden that the Railways Department is being asked to carry. It will be almost impossible for it to carry it.

I make a plea that the Government closely examine the position of the Railways Department. Across the world, railways are in trouble. However, certain high spots, which become obvious if one has the patience to examine the matter of public transport, show that the railways need not be a charge on the community, as they are in this State. The railway service between Adelaide and Melbourne is an extremely efficient and profitable one, as is that between Port Pirie and Broken Hill. However, much dross needs to be cut away to give these people a realization that they are doing something worthwhile that is a service to the community.

Honourable members will recall that a railways crisis arose in the late 1920's and the early 1930's. Mr. Commissioner Webb, who was called in to examine the problems that existed then, gave the South Australian Railways system an injection of enthusiasm and a sense of direction, which transformed it for some time. This needs to be done again.

The allocation to housing is disappointing. Indeed, it is barely more than is called for by the agreement between the Commonwealth Government and this Government. South Australia is desperately short of low-rental housing, and many people do not have a roof over their heads. It is necessary to examine this matter as a whole and, although I do not doubt that the Housing Trust is doing the best it can, it could probably do more if more money were made available to it.

Then follows in the Loan Estimates a series of not very large allocations, in relation to which honourable members should ask whether the organizations concerned can repay within 20 years the loan and the interest thereon. I refer, first, to a loan of \$50,000 to be made to the State Government Insurance Commission. I hope it can meet its commitments. The Industries Assistance Corporation

could possibly return many times the sum of money being granted to it, that is, if it is not necessary to write off some of the bad guesses that must inevitably be made in relation thereto. Although neither of these allocations of \$50,000 is high, the money should be advanced not from Loan funds but from the Revenue Account.

The sum of \$1,700,000 has been allocated to the festival theatre and associated cultural facilities. Although I do not question the need for an arts centre and a festival theatre, I think this is luxury spending that should not mortgage our future. We are this financial year mortgaging our future for a total of \$142,940,000, and we cannot expect to meet this sum, together with the interest thereon, in a few years. Is it worth spending \$500,000 of Loan moneys on transport research? This money must be repaid and, no matter how carefully transport research is carried out, this money may be spent in the wrong direction, and may stand as a charge against the State for ever.

Although I do not want to question the allocation made to the Kangaroo Island ferry service, I think that this money should perhaps have come from the Highways Fund instead of from Loan funds. I think, too, that the allocation of \$395,000 to the Education Department for the purchase of additional school buses and for replacements, which is to be borrowed on a 20-year term at a fairly high rate of interest, should be examined very closely. These buses can last for not more than 10 years. Should this money be coming from Loan funds? Certainly, it should not, and no-one would say that it should.

I refer also to the allocation of \$380,000 to the Public Service Board for data-processing equipment. It is ridiculous to find this allocation coming from Loan funds. An antique (the first computer which was put into service in America and which is not more than 15 years old) has been presented to the Smithsonian Institute in that country. This computer is to be preserved as an antique because it is now completely out of date. Should this money, which must be repaid over 20 years with full interest, be coming from Loan funds?

Loan funds are needed to enable this State's development to continue, and under today's conditions (there being much uncertainty regarding the profitability of many of our major industries) Loan funds must be spent wisely and carefully; they should not be spent on

projects from which we will not get value and which will place an impossible burden on the community in the future. So many points could be raised regarding this subject.

One of the biggest take-downs that this State has ever seen perpetrated is the abrogation of public moneys, subscribed in small amounts by families and children, devoted to research on the Moorunde wombat reserve. What has happened to this money? Apparently, it has been taken completely out of the control of the people by whom it was contributed and who really believed that they would be given a say in the matter. It has obviously been diverted from the purposes for which it was contributed. The wombats are much happier under their present custodians outside the reserve than they are in the country that was bought for them. The sum of \$33,000,000 is being spent in connection with the Engineering and Water Supply Department; since estimated repayments total \$5,600,000, there will be a net expenditure of \$27,700,000. Most of that amount will be used to provide waterworks and sewers. A relatively small sum will be used in connection with Murray River weirs, dams and locks.

I do not know what sum has been allocated to the collection and disposal of waste water. We were supposed to have had a bonanza out of past Government expenditure: a sufficient supply of water to run a new industry in the northern Adelaide Plains. All the money provided for that purpose has been spent but we are not getting back from it any worthwhile water usage, although each day between 25,000,000gall. and 35,000,000gall. of usable water runs away from the Bolivar Sewage Treatment Works, from the Glenelg treatment works and from Port Adelaide.

Why is the Government not responsible about the money that has been spent? We should be getting back much more money (which could be used for repayments and interest) in connection with the water processed through those plants. However, at present, all the water is being completely wasted, except for that being used to water the lawns around the West Beach recreation areas. There is no possible excuse for such waste, in view of South Australia's water supply position at present.

It may seem to be silly to talk about needing more water during a period when it has been cold and wet; however, although we have much water in our reservoirs at present, within two years water restrictions could again be imposed.

But that is beside the point. It was proved to the Public Works Committee that water from the Bolivar Sewage Treatment Works would be re-usable. At present that water is desperately needed to reduce the rate of withdrawal from the underground beds north of Adelaide. The Bolivar works were built with the use of Loan funds.

The wasteful situation I have referred to has come about through an increasing irresponsibility in regard to these Loan funds. The big return that should have paid most of the interest and principal is not being sought at all. The money has been paid, everyone has a nice job, and they are letting the water run away to sea! This kind of waste is occurring not only at Bolivar but also at Port Adelaide and Glenelg. Yet South Australia is the driest State in the driest country in the world.

We are told that South Australia needs a satellite city. To my horror I have found that apparently such a city is planned for the Adelaide Hills; it is planned that Mount Barker will have a population of between 50,000 and 60,000 people. I do not think the Government can possibly do that and get away with it without completely destroying the Adelaide Hills.

I support the Bill because it is essential to our development that we have Loan money to spend, but I think most responsible people will be as concerned as I am about the increasingly insidious way in which funds are being used for purposes that cannot benefit us in the long run, yet our children will have to repay those funds. I support the Bill.

The Hon. M. B. CAMERON (Southern): In 1970-71, \$200,000 was provided for student hostels, but only \$33,000 was spent. I notice that this year the sum provided has been greatly reduced. This matter concerns me, because country student hostels are very important nowadays, in view of the situation of the man on the land. In many country areas Matriculation courses are not available, and I do not think any secondary students should be deprived of the opportunity of furthering their education. It is essential that, instead of a decrease, there should be an increase in spending for this purpose.

There is no doubt that the number of people in country areas and country towns nowadays will decrease, and if they are forced to go elsewhere to seek a new way of life they should be fully equipped for it. So, the Government should re-examine the reduction in spending to which I have referred.

I was interested in the proposal of the Hon. Mr. DeGaris regarding the taking over of land by the Government and the granting of money to people who allow the Woods and Forests Department to plant trees on the land at a continuing rate over a period. It was put to me last week in my district that perhaps the Government could lease land not entirely suitable for primary production and pay lease money satisfactory to the owner over the period before the money comes in; it could review the lease from year to year.

Instead of people developing land for unsatisfactory and unprofitable primary production, the Government could plant pines while the owner retained the title to the land. This could be done satisfactorily. The Government should examine this matter in the future. The rate of spending on fishing havens and fore-shore improvements is about the same as it was last year. Does the Government still plan to spend Loan funds in connection with Port MacDonnell? When the Minister of Agriculture visited that port some time ago with the member for the district, he said that a fishing haven would be established there. That was the implication in the press report which I will obtain for the Minister, because he looks a little startled. It was good publicity at the time, but I suggest that a little more action should be taken as soon as possible, because people down there do become impatient around election time.

The Hon. C. R. Story: Never quite impatient enough.

The Hon. M. B. CAMERON: I agree entirely, but time will tell. It will be 12 months before we come to the next Loan Estimates. At the moment I cannot see any money directly allocated to this project.

Getting away from the political implications of the statement I have made, let me assure the Minister that this is a very worthwhile project. These people have one of the worst harbours in the South-East, yet they have the biggest fishing fleet. I have assisted in the refloating of vessels there from time to time. It is a matter of great concern, and I know that in his wisdom the Minister will give it attention; he would be wise to do so.

In relation to the line "Other capital advances and provisions", I wish to mention the amount of money allocated to the Metropolitan and Export Abattoirs Board. On August 17 I asked the Minister of Agriculture quite a serious question about whether any thought had been given to the future of the Metropolitan and Export Abattoirs. I asked about

the life expectancy and said it was obvious to me that its geographical situation must eventually lead to community problems. I asked whether, in spending extra money there, the Government intended to consider the expected life span of the abattoir in its present position. In reply the Minister said:

The Government has not taken a line in this direction at all. I suppose one could say that maybe in 20 or 30 years something will have to be done; what the honourable member is implying is that we will have a built-up area all around Gepps Cross. Of course, we will have the same problem in connection with airports: much noise and nauseating smells emanate from them too. The Government has not looked at the matter the honourable member has raised.

That rather surprised me, because I would have thought that would have been a very real possibility at a much earlier date than in 20 or 30 years. Surely it is basic and essential that any Government spending on such a facility should take this matter into account. Perhaps the Minister was not given notice of the question and had not studied the matter fully, but it should be given very serious consideration indeed. The dust menace and the nauseating smells, in the words of the Minister, emanating from this establishment are certainly going to be a problem, and probably are a problem in the area at the moment.

The Hon. C. R. Story: I do not think the Abattoirs Board would agree with you about the nauseating smells. They do not like people saying that.

The Hon. M. B. CAMERON: That may be so, but perhaps the board is not as important as the people living in the area, and they are the ones I am concerned about. However, I thank the honourable member for his advice. An even more important point was raised today regarding the yards situated adjacent to the board's works. The Minister indicated that this had nothing to do with whether or not we retained our licence. That was the import of his reply to a question. I would say it certainly did have some implications, because we see now a move towards transport operators being asked to put in baffles to prevent soiling of sheep. It is no use going to this trouble, crutching sheep, and doing everything else to keep them clean if they are landed into the yards and into the mud. It is quite obvious to me, looking at the yards, that there is great difficulty in keeping them clean because of poor drainage and many other problems.

The Hon. T. M. Casey: One of the things you have overlooked is that loads of sheep coming in are not always emptied out.

The Hon. M. B. CAMERON: I agree with the Minister, but that is a minor point.

The Hon. T. M. Casey: No, it is not.

The Hon. M. B. CAMERON: It is. There is an even greater problem.

The Hon. T. M. Casey: It is a major one.

The Hon. M. B. CAMERON: The yards still have to be kept clean, and it must be perfectly obvious that yards can be constructed in such a way that they can be kept clean very easily with high-pressure water and with the proper slope of the area. Once the construction is complete, this can be done at a relatively small cost each time the yards have to be cleaned. It cannot be done with the present yards; I will grant the Minister that. A tremendous amount of labour would be involved in keeping the existing yards clean all the time.

The Hon. T. M. Casey: I have seen the yards perfectly clean in the morning, but a few hours after a load of sheep was placed in there the yards were absolutely filthy because the sheep had not been emptied out. I suggest you go out there one day and have a good look.

The Hon. M. B. CAMERON: At the price we pay for such facilities, I would say that the yards could be cleaned four times daily, but the Minister would know more about that than I do. I suggest that a recently constructed abattoir and recently constructed yards would be much easier to keep clean if constructed in the proper way. It is time for the Government and the community to look at the future of the abattoirs from the point of view that we run into trouble keeping our licence because of the way the abattoirs are constructed and the age of the facilities, and I suggest that the time is not far distant when we should give some thought to closing down this facility. The sale of the land would bring in quite a considerable sum of money, and some thought could be given to the construction of a modern abattoir at a different location, perhaps even at Murray Bridge. The people in that area would be happy indeed to obtain such an industry.

The Hon. T. M. Casey: They have already got one.

The Hon. M. B. CAMERON: And a very efficient one, too. It is an excellent abattoir that should be used as an example for the Metropolitan and Export Abattoirs Board.

The Hon. T. M. Casey: You think the metropolitan abattoir should be moved to Murray Bridge?

The Hon. M. B. CAMERON: I think some thought should be given to this. Yes, I suggest that this should be borne in mind, particularly if further large sums of money are to be spent.

The Hon. D. H. L. Banfield: You wouldn't like it to go to Naracoorte, would you?

The Hon. M. B. CAMERON: No, but that is a very good community, and the people there have taken the matter into their own hands. They had trouble for a start in getting the Government to agree to look at this idea.

The Hon. T. M. Casey: I don't think they had much trouble at all.

The Hon. M. B. CAMERON: That was not the impression I received from press reports, but of course the press reports might be wrong.

The Hon. T. M. Casey: I am very pleased to hear that. I suggest you have a word with the committee.

The Hon. M. B. CAMERON: I did have a word with the committee. I keep in very close touch with it. I am very pleased to see that the Government in its wisdom is finally granting permission for the Naracoorte abattoir to enter the metropolitan trade, and I wish it every success in raising the finance and getting this into operation. I assure the Minister that we will be successful, because we are a very forward-looking community and that is why we do not want a Government facility there. We will have our own.

The Hon. T. M. Casey: I hope you are a contributor.

The Hon. M. B. CAMERON: As a member of Parliament I will closely examine my position, but I suggest it would be unwise for a member of this Council to place money in such a venture.

The Hon. A. J. Shard: Especially at this point of time.

The Hon. M. B. CAMERON: Under "Other capital advances and provisions" I notice a further line relating to university and advanced education buildings. I hope the Government has given some thought to the establishment of an advanced education centre in country areas, and I suggest particularly in the Mount Gambier district. I have spoken on this matter previously, and it has almost reached the stage now where such a facility is essential. In the South-East we have a very large increase in industrial expansion, but it is difficult to retain key personnel because once their children

reach the stage of needing tertiary education they find that there are no facilities available in the immediate area. This results in a rapid turnover of key personnel in local industries. I suggest to the Government that the time has come to honour the suggestion, put forward by Mr. Loveday when he was Minister of Education, that such a facility be established in this area. I understand that it is no longer a requirement for a teachers college or an advanced education facility to be attached to a university, and this would make it easier for them to be established than it has been in the past. I hope that the Government will keep in mind the suggestions I have made in regard to these Estimates. I support the Bill.

The Hon. C. R. STORY (Midland): I, too, support the Bill. When considering the financial situation today, either from this State's point of view or from other States' point of view (and particularly regarding our primary industries), the amount of assistance that has been provided by the Commonwealth Government is nothing short of remarkable. However, the South Australian Government has given little credit to that Government for what it has done and what it is doing. If the Hall Government had received the money that this Government has received during its term of office, I believe that we could have put it to better use than this Government is doing. At present all one has to do is yell loudly enough and have enough pressures put on, and one can get practically anything from it. He who has the squeakiest wheel obviously gets the most grease when dealing with this Government.

In the last few days I was surprised to read in newspaper articles about a complete reversal by the Government (I suppose it is the Government, although it is the Premier who makes the announcements) in its attitude to the A.N.Z. Bank building, and the fact that this Government has come to the party after being firm and keeping people on the *qui vive* as to whether it would assist or not. I am pleased to see that the Government has taken this action to preserve a wonderful building. However, I am equally astounded to see that the Premier has suggested spending about \$5,000,000 to enlarge the concept of the festival theatre. When we were in office a proposition was made to us, and we approved it in principle, to construct a Rural Youth Centre. Although this centre would be an important facility for country people, the

matter has been pigeonholed by the Government.

Every other reference that has gone before the Public Works Committee, before and since, has been reported on during the term of this Government, but the one that has been selected not to be reported on is the recommendation for a Rural Youth Centre. If we have \$5,000,000 to splash about on a performing arts centre and if we have the money to buy the A.N.Z. Bank building, surely we have the money to provide a headquarters for the Rural Youth Movement, because to country people this is a useful form of advanced education of extension work. If Raywood Inservice Conference Centre is necessary as an instrumentality to be used mainly by schoolteachers and public servants, I believe it is just as essential that the Rural Youth Movement should have a centre as a rallying point and a meeting place.

I cannot believe that the Government can for ever say that it is not necessary that a Rural Youth Centre should be constructed. Although I can never get definite information, it seems to me that the Government will not proceed to construct this centre, to which the Rural Youth Movement is prepared to make a substantial contribution, and which could be used for several purposes. I am surprised and sad, because I am fond of this organization: I think it is a wonderful body, and if this suggestion is shelved, while at the same time metropolitan Adelaide will be able to enjoy the special benefits from Government grants to the festival theatre and the performing arts centre, I believe that the Rural Youth Movement is being treated shoddily.

I turn now to another matter concerning the Agriculture Department, following a question I asked the Minister today about the Struan Research Centre. This property was used for several years as a corrective school by the Social Welfare Department, and subsequently it was handed over to the Agriculture Department for its use. In his reply the Minister said (and I do not hold him to these figures, because he gave them to me off the cuff) that about \$80,000 would be necessary to rebuild Struan House and, I take it, the dormitories adjacent to it. The concept of Struan was that it would be an instrumentality where the whole South-East agricultural services could be co-ordinated, where inservice training could be carried out, and where seminars of a week's duration could be held, and I was impressed with this whole concept. I had a wonderful chance when I was in Israel to inspect the same type of thing

operating. Farmers were able to go to a central point and, during a week or fortnight, receive the best instruction from officers of the agricultural faculty of the university, from the Agriculture Department, and from the equivalent of the Commonwealth Scientific and Industrial Research Organization. They could meet together, gain instruction, and exchange ideas, all of which were most important.

When considering the Loan Estimates, I see little to indicate to me that anything will be done in the near future in making this sort of thing possible at Struan. Perhaps the Minister could explain what is intended to be done at Struan in the next 12 months. Much has been said by this Government about what it is doing for education and how much money it has spent on it. It seems that there is no better type of education in this field than the type visualized at Struan, because people who have not reached a very high standard of education in their youth but have been prepared to continue their studies need something like Struan so that they can keep up with the technological advances made by scientists today. When we speak of education, we should not confine our thinking to people under the age of 20 years: we should be thinking of all people, irrespective of their ages, because nobody is too old to learn and to improve his general education.

It worries me that the findings of the committee which was set up by Mr. Bywaters when he was Minister of Agriculture, which I had much to do with during the time I was Minister and which has reported, I believe, to the Minister of Agriculture, have so far not been made known to us; we do not know what will really happen about agricultural education for the next 10 years or so. It did not take more than three or four days for the Karmel committee's report to be made public. What is more, much of the Karmel committee's report has been implemented already. That committee was set up by the last Government. It brought down its report, which was acted upon. Why has the Ramsay report, which has been in the hands of the Minister of Agriculture, I understand, for some time, not been made public? I see no signs of its being acted upon; nor do I see any provision in the Loan Estimates for any change in agricultural education.

Roseworthy Agricultural College is to continue as a college of advanced education but there is no provision for the new leaf that must go into the education book—that is, the group between Urrbrae and Roseworthy. There must

be a new stratum there, and I think that is probably what the report of the committee would recommend. It would lay out how it would be done. I can think only that perhaps the report indicates that much money will be needed to implement the scheme, that rural colleges probably will be visualized in this scheme, but I do not think the Government can afford to delay providing the very best agricultural education it can. The sooner the Minister of Agriculture (or, if he does not feel competent to handle this, the Minister of Education) makes up his mind about what will happen, the better. Personally, I should be loath to see agricultural education come under the Minister of Education. It must be closely allied with the Agriculture Department and the Minister of Agriculture. Whilst the teaching side of it is one thing, the curriculum is another, and that is best put in the hands of people closely associated with agriculture. I would always resist any attempt to put Roseworthy Agricultural College under the Education Department.

I am pleased that continued provision is being made for locks and weirs. This is tremendously important, in view of the fact that the Dartmouth dam agreement has been ratified (though belatedly) by this Parliament. The only means we have in this State of maintaining a constant water storage and a good river level is by our locks and weirs on the Murray River. What is happening is practically a reconstruction of the lock system from Wentworth to Blanchetown. It is being done in a leapfrogging way, and I think that, provided the department can continue to get the necessary money, our locks and weirs will be maintained in a good condition, which is most essential because on so many occasions we have lost huge volumes of water that would have been most useful had they been able to be stored, simply because we could not get the planks in the weirs back in time because of silting and the warping of the superstructure on occasions. It is essential that the moneys be provided annually for this purpose.

I now turn to the Metropolitan and Export Abattoirs Board because I, like the previous speakers, am most concerned about the high killing charges. It is interesting to note that at present the cost of killing mutton is just about the same as the money the producer gets for his pound of mutton when he sells it off his property.

The Hon. L. R. Hart: Sometimes it is more.

The Hon. C. R. STORY: Yes, sometimes it is more. At the moment the killing charge is just about the same as the producer is getting for his meat; yet the housewife gets it no more cheaply in the shop. While this situation continues, we place ourselves in great jeopardy; we risk losing any markets we have—and we have not so many markets at present for lamb and mutton. I believe we shall price ourselves completely out of many of our markets if this tendency to do less work and demand more pay for it continues. That seems to be the present trend. There are about 900,000 lambs in paddocks that must be killed within a fairly short time. Unless people are prepared to get on with the job of killing them, they will go to works in other States and will be lost to the service abattoirs here in South Australia.

Much money has been spent in the last three or four years on bringing the Gepps Cross and Port Lincoln abattoirs up to standard so that they can qualify to be export abattoirs under the conditions laid down by the Department of Primary Industry, mainly on the instructions of the Americans. It is not good enough that we should be constantly in jeopardy of losing those markets on the one hand because of dirty sheep and on the other by pricing ourselves out of the market. It is about time that responsible people (and I refer to the producers and the unions alike) realized that, if they do not wake up to the situation soon, we shall have no need for butchers at all, because we will not have an export market.

The Australian population of 12,000,000 is but a flea bite when compared with the populations of the countries to our north, such as Singapore and other nations in that area, which are our potential markets. In relation to the amount of shipping that is going through its port, Singapore has moved from about eleventh to the fifth world position. It can be seen, therefore, that it is indeed an important port. If one looks at the amount of produce necessary to keep the ships going through that port supplied, one can see that it will provide a useful market for Australia, particularly for meat. Despite this, we seem to be letting this market slip through our fingers, simply because people are not getting the out-turn necessary. I do not mind people getting their money; indeed, I think it is essential that they be properly paid. However, they should not tie themselves down to a certain daily kill. They are being paid to do a job and they should do as much as they can. Perhaps they should be paid an incentive rate, so that the man who is prepared to work will do so. We always seem

to have this trouble at the abattoirs just before the lamb season.

Many reports have been brought to the attention of the Metropolitan and Export Abattoirs Board, which has often instigated the preparation of reports on the efficiency of the works. By Statute, the Chairman of the Public Service Board must report thereon to Parliament every three years, although I doubt very much whether six people ever read that report, including members of Parliament. Although it is a most illuminating report, no-one, least of all the management, takes the slightest notice of it.

When Minister, I was faced with a problem similar to that which the Minister of Agriculture had to face recently, of the board's requesting substantial financial assistance. During my term as Minister, the services of a highly qualified Victorian man were obtained. I refer to the Chairman of the Victorian Inland Meat Authority (which is the Government abattoir in Victoria), who is a qualified accountant and who reported on all phases of the board's activities. I eventually obtained an undertaking from the board that it would use this gentleman as a consultant. He therefore started work with the board; he made several inspections and gave much advice, but thereafter the whole thing seemed to fizzle out.

The same old things that were happening then are happening again now. A request to the Government by the abattoirs for another \$200,000 or \$300,000 will not cure anything. Indeed, it will merely mean that the killing charge will rise, that the producers will not get as much, and that the price of meat will rise. As a result, the housewife will not buy so much meat but will switch to chicken meat, or some other form of protein. It is time the whole of this State's legislation in this respect was thoroughly overhauled. Although it will be an unpleasant job for the person who must implement it, it is a job that must be tackled. Only when the legislation is fully up to date will this State's meat industry be more efficient and more economies achieved therein.

One could speak about many matters in connection with this Bill. However, I feel at this stage that the Government has a tremendous responsibility to country people because of the low prices obtaining and the hardships that many are facing. This applies not only to the man on the land but also to those that service him. The Government would do well indeed to direct more of its attention to country areas than to making statements about huge hotels



in Victoria Square, in which we are supposed to be taking half the Japanese nation as tourists, or talking about festival halls involving expenditure of \$5,000,000 or more. It should be examining the situation in country towns where a squeeze is occurring and where something could be done to alleviate many of the hardships facing country people. I support the Bill.

The Hon. A. F. KNEEBONE (Minister of Lands): The Chief Secretary has asked me to wind up this debate. I thank honourable members for the expeditious manner in which they have dealt with this Bill. I have before me some replies to some specific questions asked by honourable members. However, because of the short time it has taken for this Bill to be dealt with, replies have not been received to all questions asked. I will therefore try to give honourable members those replies by letter and, if that is unsatisfactory or if a question is not answered fully, I suggest that honourable members again ask their questions in Question Time.

Several members have asked about the Flinders medical centre. Funds may not be placed on the Loan Estimates for specific projects that have not been examined and reported on by the Parliamentary Standing Committee on Public Works. In the Loan Estimates under the line "Hospital Buildings" there is a provision of \$500,000 for preliminary investigations and design, from which the necessary preliminary expenses of the new hospital and associated facilities are being met, to bring planning to the stage where it may be submitted to the committee. As I have indicated, a meeting of the senior people involved in planning is to take place next Tuesday, to decide further progress.

Regarding the cultural complex, the additional building to be provided on this site will be on the land owned by the State Government, not the City Council. Therefore, the City Council's approval does not have to be sought, but it is desirable that we should have one administration for the total complex. It would be absurd to have a separate administration of booking and technical staff for the multi-purpose hall at present being built, and another staff with a separate director and technical director and so on for the home of the South Australian Theatre Company, experimental theatre and amphitheatre now proposed as additions.

Consequently, as announced publicly, we have a working committee set up as to the

establishment of a trust to administer both complexes as one, and to make recommendations as to staff appointments. The position about funding of the additional buildings is that the City Council will not contribute towards the additional buildings, for it is extended as far as it can be at present in providing the building already in the course of erection. As the honourable member will remember from the evidence before us at the time of the Select Committee on the present building, the City Council will not contribute towards the construction of the plaza or car park, either. These will all fall to the State Government or will be paid for out of whatever moneys the newly constituted trust raises.

The situation is that in providing the plaza, car park and access roadways we will be faced with an expenditure of about \$3,000,000. We had to re-examine the whole of the access road, car park and plaza provision because the original heights and gradients proved to be unsatisfactory. We had to look at a whole series of ways of separating railway traffic from the traffic serving the festival theatre. Therefore, a new scheme of roadways has been developed that will retain the plaza complex, which I think is essential to the original architectural concept of the hall now going ahead. This will mean that access for traffic to the performing arts areas will be from King William Road and an exit roadway will run beside the railway tracks to the bridge on Montefiore Road. Railway traffic will have access from North Terrace to the railway station and will be separated from the traffic going to the performing arts area; it will have a turn-around provision under the plaza beside the railway station and there will be an adequate car park as originally planned in the complex.

The new performing arts areas proposed will complete the recommendation of Mr. DeGaetani as to the nature of the performing arts areas required by us. It will not have, as he recommended, a 750-seat theatre, but will have a 600-seat theatre, which will be the main home for the South Australian Theatre Company and which will contain its offices, administration provisions and so on. It will also have an experimental theatre area seating up to 200 people that can provide for theatre-in-the-round or almost any flexible type of performing arts activity. There will be an entirely flexible set-up as to the internal arrangement of that facility. Both of those will be under the one roof of the new building.

In addition, there will be an amphitheatre area which can seat up to 2,000 people for open-air performances and which can be flooded from the plaza between the two theatres. What has been produced here is, I think, the most exciting concept in the performing arts area yet to be seen. It is a much more extensive facility in what can actually be provided for the public than will be the case with the Melbourne Cultural Centre, which is proposing an extremely expensive underground development, or, of course, with the Sydney Opera House, which was planned from the outside in and the facilities of which for \$107,000,000 will be far less than we will have for \$11,000,000 here. In addition, the total plan, when completed, will be better and more flexible than the Los Angeles centre or the Atlanta centre, and this in a city the size of Adelaide is, I think, a great credit to the architects.

The site is good. It was advocated by the Leader of the Opposition in another place originally. We had some disagreements about that. As was forecast, we have had problems in developing this site, and with the total traffic access and the removal and resiting of other buildings. Nevertheless, when the project is completed, I consider that it will be a great facility in this State that no other State will be able to rival. I regret that I have not yet obtained a reply to the question of the Hon. Mr. Hill about the *Advertiser* sound shell, but I shall get that reply and send it by post to the honourable member.

The proposed carryover of funds at the end of 1971-72 is referred to by the Hon. Mr. DeGaris as \$15,000,000. The proposal is that about \$13,300,000 of Loan funds be held in reserve. The reasons are given in Parliamentary Paper 11A at the bottom of page 4 and top of page 5, and are as follows. In determining the total of the 1971-72 Loan programme and in considering the extent to which we might properly draw upon the balance of \$14,811,000 held at June 30 last to supplement new funds coming forward this year, the Government has been influenced to a very great extent by the present situation and future prospects of Revenue Account. In our conferences and discussions between February and June, 1971, all State Governments were seriously concerned about the 1970-71 trends, but they were even more concerned about 1971-72 and the longer-term future.

The immediate problem of 1970-71 was largely met by increased Commonwealth

grants, and the Commonwealth has also offered some assistance towards the 1971-72 problems both by way of a supplementary grant and by way of an improvement in Financial Assistance Grants as part of the overall arrangements to transfer pay-roll tax to the States. Nevertheless, it is clear from the detailed submissions put forward that all States are certain to be faced with the prospect of large deficits on Revenue Account in 1971-72 despite the improvement in grants and the opportunity to increase pay-roll tax. The continuing pressures to provide more extensive and higher standards of services in education, health and social welfare, are such that there will be great difficulties in all States' finding in areas under their own control the additional revenue resources to meet them. As honourable members are aware, South Australia is also being assisted by special grants recommended by the Commonwealth Grants Commission, but we cannot expect special grants of an order to put us in a better overall situation than the larger States. We therefore cannot possibly escape the common problem.

The cumulative deficit on Revenue Account at June 30 last was \$4,558,000. The present assessment is that 1971-72 will record a further considerable deficit unless there is a quite unexpected favourable trend of events, and deficits beyond 1971-72 must be regarded as a distinct possibility. Of course, the Grants Commission has not yet conducted a full review of South Australia's accounts and we would hope that when the commission does so we may receive some further grant to supplement the advances first recommended. However, even if the deficits I now mention may eventually be made good in part by such special grants we will have to finance those shortages in the meantime.

In all the circumstances, the Government considers that it should hold in reserve as much as practicable of the balance of Loan funds held at the end of 1970-71. We have come to the decision that it would not be reasonable or prudent to draw on those funds this year to the extent of more than about \$1,500,000 towards financing capital works. The total appropriation of \$142,940,000 included in the Loan Estimates is based on that decision. It envisages the use if necessary of \$1,540,000 of funds in hand to supplement new borrowings, capital grants and repayments, which I have indicated are expected to aggregate about \$141,400,000.

I should add that the maintenance for a period of a modest reserve of funds has a

further important advantage, that of facilitating a smooth expansion from year to year in the capital programme rather than a greater immediate increase offset by a subsequent cut-back. In a situation in which the Commonwealth is concerned about inflationary pressures in the economy, and at the same time has been persuaded by the States that significant increases in general revenue grants are essential, it may subsequently take the view that funds for capital purposes should be rigidly controlled, perhaps even more firmly than to permit a repetition of the very small expansion of funds supported for 1971-72. In such a situation the holding of a reserve on Loan Account would help the State Government to avoid any subsequent dislocation of the capital programme.

It seems desirable from some statements and some misunderstandings of honourable members that I should explain again the place of the Loan Account balance in the State's prospective finances. Presently, the balance is about \$14,811,000, but against this there is an accumulated revenue deficit of \$4,558,000, leaving a net balance of \$10,253,000. The 1971-72 Loan works programme proposes to use \$1,540,000 more than the new funds becoming available, so leaving potentially available for other purposes a net \$8,700,000 approximately of the present balance.

The major problem of finance in each State of Australia is within its Consolidated Revenue Account. To cover potential deficits therein, and particularly those developing from the increasing wage and salary rates, a considerable diversion of funds from balances such as this is quite unavoidable. Our particular problem is not, as some people may seem to suggest, what to do with this \$8,000,000 or \$9,000,000, but whether it will be anything like enough to cover expanding costs even for this year.

Bill read a second time.

In Committee.

Clauses 1 to 13 passed.

First Schedule.

The Hon. C. M. HILL: I appreciate the position in which the Minister of Lands has been placed in that information he would like to have had in front of him on queries raised in this debate is not available to him. However, I ask for a special assurance that replies to questions regarding the rehabilitation programme of the railways, especially a reconciliation of the plan approved by the previous and the present Governments and the actual figures supplied in the second reading explanation, will be brought forward at some stage, or be forwarded to me. I ask also for further information either under this heading or under the heading for the festival grant concerning the Railways Institute and plans for its re-establishment in its new home, wherever that might be and whenever it is to take place.

The Hon. A. F. KNEEBONE (Minister of Lands): I assured the honourable member when he spoke earlier in the debate that this information would be made available. I made a note of his questions regarding the Railways Institute and the other matters, and my secretary is endeavouring to get the information at the moment. I assure the honourable member that these details will be forwarded.

Schedule passed.

Second schedule and title passed.

Bill read a third time and passed.

#### SITTINGS AND BUSINESS

The Hon. A. F. KNEEBONE (Minister of Lands): I inform honourable members that the Pay-Roll Tax Bill, introduced today, should be considered by this Council as urgently as possible, and I hope that we can proceed quickly with it next Tuesday. I understand that amendments may be moved and, if they are carried, they will have to be considered by the other House. As a result, a conference may be necessary, and I therefore ask honourable members to be prepared to work next Tuesday evening.

#### ADJOURNMENT

At 4.41 p.m. the Council adjourned until Tuesday, August 31, at 2.15 p.m.