

LEGISLATIVE COUNCIL

Tuesday, September 19, 1972

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

QUESTIONS

LEAF CUTTER BEE

The Hon. C. R. STORY: Has the Minister of Agriculture a reply to my question of September 12 regarding the leaf cutter bee?

The Hon. T. M. CASEY: The Director of Agriculture has informed me that Mr. Doull, of the Waite Agricultural Research Institute, has carried out investigations under quarantine conditions of some behaviour patterns of the leaf cutter bee and has reported on its possible behaviour and spread in Australia if released from quarantine. This report was made to the Commonwealth Health Department, which circulated the report to all States. The importation of the bee for commercial purposes was discussed by the States at the last meeting of the Standing Committee on Agriculture, but several States raised objections to the release from quarantine of the bee. Because of these objections the Health Department was not prepared to release the insect. The Director of Agriculture has since written to all States and the Commonwealth Government seeking a reconsideration of the matter, to determine whether further research at the Waite institute or elsewhere in Australia might allay the fears held by some States. These negotiations are proceeding.

ART EXHIBITION

The Hon. D. H. L. BANFIELD: I seek leave to make a statement prior to asking a question of the Minister of Agriculture, representing the Minister of Education.

Leave granted.

The Hon. D. H. L. BANFIELD: The Mentally Retarded Children's Society will conduct its second annual art exhibition at the Marion shopping centre between September 25 and 29, to be officially opened by the Minister of Education on September 26 at 10 a.m. The work to be displayed has been done by children who attend special schools run by the Education Department, the pre-school training centre conducted by the Intellectually Retarded Services, and by children in the sheltered workshops conducted by the society. The work to be displayed, which is of a high standard, demonstrates some of the talent and potential possessed by these children. To encourage a

better understanding of each group of children attending the different types of school, will the Minister of Education consider encouraging art exhibitions to be run jointly by ordinary and special school students, with invitations being sent to the parents of children at both types of school?

The Hon. T. M. CASEY: I shall be happy to refer the question to my colleague and bring down a reply.

BRUCELLOSIS

The Hon. M. B. CAMERON: I seek leave to make a statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. M. B. CAMERON: Brucellosis has caused concern among beef producers in this State for some time and a programme has been under way for two years now in which the State Government assists in the eradication of this disease from herds on a voluntary basis. I understand that brucellosis, which affects up to 40 per cent of the beef herds in the State, has caused severe economic losses. Will the Minister of Agriculture say whether the State Government receives grants from the Commonwealth Government for the control of brucellosis on a \$1 for \$1 basis? Also, does the Government intend to continue the programme that has been started, with a view to eradicating this disease within 10 years?

The Hon. T. M. CASEY: The situation regarding the Commonwealth Government's \$1 for \$1 subsidy for the eradication of brucellosis came into being, as the honourable member said, several years ago. At that time, some States did not take full advantage of the monetary offer made by the Commonwealth. As a result, some States received more money from the Commonwealth than that received under the \$1 for \$1 scheme initiated by the Commonwealth. South Australia fell into this category, and we were actually receiving more money from the Commonwealth right up until this year.

This allowed South Australia to conduct an extensive campaign for the eradication of tuberculosis and brucellosis, and it also allowed us to conduct this brucellosis campaign, to the extent that we paid 50c for each vaccination. It is the Commonwealth Government's present policy to provide the States with only the \$1 for \$1 subsidy and, because of this, we will not receive the money previously made available by it. This has caused much concern not only to South Australia but also to other States that were receiving this extra money. As a

result (and we were just notified of this at the last Agricultural Council meeting), we have asked the Commonwealth Government to review the situation. However, the Commonwealth is adamant that it will not contribute more than the \$1 for \$1 subsidy. We in South Australia now want to conduct our own campaign for the eradication of tuberculosis. We do not want in any way to hinder that campaign, because we are so advanced in this State that we hope within two or three years (at the outside, four years) to eradicate this disease from South Australian herds.

Regarding brucellosis, we have had to cut back our efforts slightly in order to throw our weight behind the tuberculosis eradication campaign. As a result, we are asking farmers to pay 50c for each vaccination. That is not a steep price to pay, particularly when the cattle will bring more money in the saleyard if they have been vaccinated than they otherwise would. This is regretted by the Government, but it is outside our jurisdiction.

The Hon. M. B. CAMERON: How much would the programme for the eradication of brucellosis cost; how much money would be involved in continuing this programme; what sum would be involved in extending it to cover all beef herds in South Australia on a compulsory basis; finally, would the Minister be willing to take this matter back to Cabinet to see whether the Government would make money available from State funds to continue this very valuable work?

The Hon. T. M. CASEY: I will get a considered reply to the honourable member's question.

The Hon. A. M. WHYTE: Will the programme being paid for by the herd owners be organized through the Agriculture Department? If so, are there at present veterinary officers available from that department to conduct a programme of vaccination such as we have been used to? If not, can the department arrange for such a programme from outside sources?

The Hon. T. M. CASEY: I will try to get an answer to the honourable member's question and bring it down as soon as possible.

WOOL PROCESSING

The Hon. A. M. WHYTE: Has the Chief Secretary a reply to my recent question regarding wool processing?

The Hon. A. J. SHARD: The Industrial Development Division of the Department of

the Premier and of Development has appraised the report of the Nyngan wool scheme and agrees that the processing of wool in Australia would be of benefit to the wool industry. However, as about 90 per cent of Australian wool is sold overseas, only 10 per cent is available for processing in Australia. Currently, large overseas buyers are investigating the feasibility of processing in Australia or operating on a joint venture arrangement with Australian firms, which would be a decided advantage in retaining existing markets and the possibility of future expansion in wool processing. The main disadvantages in building a wool processing plant in a country area such as Port Augusta are as follows:

1. South Australian capacity to process wool is well above the Australian average capacity.
2. Investigations show that an economically viable unit would cost about \$6,000,000, not \$2,000,000 as shown in the Nyngan report.
3. The level of labour employment is not high enough to make a worthwhile contribution to the total decentralization problem.
4. Economic returns could not be guaranteed to growers in the long term to justify the investment.
5. The growth potential of the industry is in doubt. World trade in processed wools in the past 10 years or so has remained relatively static.
6. There is excess world capacity to process wool, especially in cheap labour countries such as Korea and Taiwan.
7. The quantity of wool becoming available for processing may not be adequate for continuous production, and the types of wool from one locality would prevent blending to buyers' specification. The freight cost advantage would be lost if wool was introduced from other areas to satisfy these requirements.
8. Research currently being carried out by the Commonwealth Scientific and Industrial Research Organization and the University of New South Wales suggests that new methods for scouring and carbonizing could radically alter the cost and activity situation within the next 10 years. This is an added reason for caution in further investment.

The Australian Wool Board is continually investigating the possibility of processing larger quantities of wool in Australia. Its efforts are

frustrated to the extent that greasy wool enters most countries (except the United States) free of duty, while most countries impose a duty on the import of processed wool.

RURAL CO-OPERATIVES

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 reply to a question I asked on March 15 last on the matter of the Government following up its election promises and assisting in the setting up of group buying co-operatives to assist people engaged in rural industries, the Minister said that a committee had been set up with departmental officers and, he thought, representatives of the United Farmers and Graziers and the Stockowners Association. As one organization involved in group buying on behalf of a primary producer organization has become insolvent, can the Minister say what progress has been made by this committee set up by the Government?

The Hon. T. M. CASEY: In a recent report I received from the Chairman of this committee (Mr. Peter Barrow of the Agriculture Department), I was informed that a report will be coming down very shortly.

GAWLER RIVER SCHOOL

The Hon. M. B. DAWKINS: Has the Minister of Agriculture, representing the Minister of Education, a reply to the question I asked on August 29 regarding the Gawler River School?

The Hon. T. M. CASEY: My colleague informs me as follows:

In July, 1967, it was considered that at some time in the future a larger school would be required in the Gawler River area and consequently investigations to select a suitable area of six acres for a new school were initiated. The Government Town Planner was advised of a defined area for a school site and was asked not to approve any proposals to subdivide. However, as the growth of the Gawler River School depended on the subdivision of broad acres into farmlets, it was decided not to negotiate for the purchase of the land at that stage.

Development in the area has not proceeded as originally anticipated. In fact, enrolments at the Gawler River School have declined from 39 in July, 1967, to 20 in July, 1972. In view of the falling enrolments, no further action was taken to acquire land for a new school in the area. A replacement school for Two Wells is to be built on a block of land on the Mallala road when finance permits. The

Gawler River School is old and in need of repair. In 1973, it is likely that the enrolment will drop to 19. In view of these factors, it is considered that the school should close in December, 1972, and the children be transported to a Gawler school.

DROUGHT RELIEF

The Hon. M. B. CAMERON: I ask leave to make a short explanation prior to asking a question of the Minister of Agriculture, representing the Minister of Lands.

Leave granted.

The Hon. M. B. CAMERON: My question relates to Kangaroo Island. I understand that drought relief payments are now made available on stock and products carried on the South Australian Railways. It may be that this matter has already been cleared up, but I have been asked to present the problem that there is no railway on Kangaroo Island: it has only a State-owned ferry service. Are drought relief payments available on the State-owned ferry service for the people of Kangaroo Island?

The Hon. T. M. CASEY: As far as I am aware, 50 per cent of all transportation costs incurred by farmers under this scheme are met by the department.

The Hon. M. B. Cameron: On road transport as well?

The Hon. T. M. CASEY: Yes, on road transport as well. It is on the recommendation of the departmental officer in the area, who scrutinizes every application and then forwards it, if satisfactory, to the Minister for approval.

AGRICULTURAL COLLEGES

The Hon. R. C. DeGARIS: Has the Minister of Agriculture a reply to a question I asked on August 29 about agricultural colleges?

The Hon. T. M. CASEY: The Minister of Education has not made an announcement regarding the establishment of an agricultural college at Mount Gambier. However, he did announce that a Certificate of Rural Studies has been introduced as a part of the Mount Gambier Technical College curriculum. The council of that college will continue its usual role in the whole college administration. The courses of study were prepared in the closest co-operation with the Director of Agriculture and his technical officers. There would appear to be no need at this stage for a special and additional committee, although the college council might well decide, if it so desired, to have some kind of advisory subcommittee.

WHEAT QUOTAS

The Hon. L. R. HART (on notice):

1. How many wheatgrowers are there in South Australia holding wheat delivery quotas who have not delivered any wheat to the Wheat Board during the period that quotas have been in operation?

2. What quantity of wheat is involved in such quotas?

The Hon. T. M. CASEY: The replies are:

1. The number of wheatgrowers is 191 up to the end of season 1971-72.

2. The quantity of wheat is 202,288bush.

AMATA RESERVE

The Hon. A. M. WHYTE (on notice):

1. What is the total number and the cost of all cattle purchased for the Amata Aboriginal Reserve since its inception in 1961?

2. What is the annual average number of calves branded?

3. What is the total number of cattle sold and what was the average price received?

4. What is the total number of cattle killed for rations?

5. What quantity of beef and/or mutton was purchased from neighbouring stations since 1961 and what was the cost of such purchases?

6. What number of cattle, donkeys, goats and camels are depastured on the reserve at the present time?

7. What is the total expenditure incurred to date on the Amata reserve, including salaries, wages and improvements?

The Hon. A. J. SHARD: Will the honourable member ask this question again next week? Because much work is involved in collating the information, the reply is not yet ready. However, I hope that I will be able to give the reply next week.

INDULKANA RESERVE

The Hon. A. M. WHYTE (on notice): Is it a fact that beef has been purchased at 30c a pound by the authorities at the Indulkana Reserve and sold to the Aborigines at 60c a pound?

The Hon. A. J. SHARD: Will the honourable member ask his question again next week?

STATUTES AMENDMENT (PUBLIC SALARIES) BILL

Read a third time and passed.

LAND TAX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 14. Page 1320.)

The Hon. M. B. DAWKINS (Midland): I support the Bill. Since 1936 the principal Act has been amended several times. Generally speaking, the intentions behind this Bill are commendable, and there is nothing really objectionable in it. Clause 3 inserts in the principal Act two new definitions, the first being a wide definition of "improvements". Clause 3 also inserts in the principal Act a comprehensive definition of "site improvements". Clause 4 extends the exemptions that are provided in section 10 of the principal Act, dealing with exempt land. Clause 4 provides:

Section 10 of the principal Act is amended by inserting after paragraph (f) of subsection (1) the following paragraph:

(1) the following paragraph:

(fa) land that—

(i) is owned by an association whose object is, or whose objects include, the conservation of native fauna and flora;

and

(ii) is in the opinion of the Commissioner used, without profit to the association or any other person, solely or mainly as a reserve for the purpose of conserving native fauna or flora.

I believe that no objection could be raised to that provision. I think that, with the concern which we should properly have (and which in these days I believe we generally have) for fauna and flora, these two provisions are worth while, and I do not object to them. Clause 5 refers to a very important section in the principal Act that deals with rural land, the vast development of the city's outskirts, and the fact that some rural land is intermingling with the extension of suburbs, thereby becoming of uneconomic value for agriculture if it is taxed on the potential value the land would have if it were affected by adjoining subdivisions.

Clause 5 makes some special provisions and amendments to section 12c; I do not object to these provisions, and that section will still continue to be very important. I think it was the Hon. Mr. Hart who said that the area to which section 12c refers should be extended. I agree with his comment, because the vast development of the city of Adelaide has frequently, not only in the matter of land tax but in other matters, outstripped the legislation intended to provide for it. From time to time it is necessary to update the legislation, because of the vast development taking place within and on the outskirts of the city of Adelaide; therefore, the provisions of clause 5 are generally to be commended.

The last important section dealt with by this Bill is section 58a, which provides for the postponement or remission of taxes in special circumstances. Honourable members are all aware that, within the last couple of years, a special levy of land tax has been placed on some land in the metropolitan area. I presume it has come to the notice of the Government that in some circumstances this special levy, which normally would not be a hardship (in fact, it might take too much time to collect it in comparison with the amount of revenue returned), might become burdensome, particularly to pensioners and other people in necessitous circumstances. Therefore, clause 6 provides the means by which this extra levy can be postponed or, in some cases, completely remitted. Generally speaking, I have no serious objection to the Bill, and I support the second reading.

The Hon. A. M. WHYTE secured the adjournment of the debate.

ENVIRONMENTAL PROTECTION COUNCIL BILL

Adjourned debate on second reading.

(Continued from September 14. Page 1323.)

The Hon. R. C. DeGARIS (Leader of the Opposition): I support the second reading of this Bill, although I have some reservations about it. The origin of the Bill began in 1969 with the appointment of what I consider to be a high-powered committee, under the chairmanship of Professor Jordan, to inquire into and report on all aspects of pollution in South Australia, including pollution of the land, sea, air and water, and all matters and things associated therewith, and to submit recommendations to the Government on any action considered necessary to retain, restore or change the environment of the State so that the life of the community would be improved and not impaired.

The committee, which had very wide terms of reference, has been established for almost three years, but its report is not yet available. The functions of the committee are to report on the matters I have detailed and to make recommendations on all matters concerning the protection of the environment. I know that the committee has concluded its report but that a delay in printing has held up the content of the report for honourable members. To enable the Bill to be debated correctly, and for honourable members to be fully aware of the contents of the report, the Government should make at least some copies of the report avail-

able to the Council so that the Bill can be debated with full knowledge available to honourable members.

I congratulate the Hon. Mr. Russack on his contribution to the debate. His contribution, which was the first speech after the Minister's second reading explanation, was the result of a great deal of research. It was a pleasure for me to hear the Hon. Mr. Russack, who had done his homework so well, lead the debate. He, too, referred to the Jordan report, and he said that the Bill should not be passed until the report was available. I am sure that the interests of the State would best be served if such a course were followed. Although I have no reason to delay the passage of this Bill, I ask the Government whether it is willing to make copies of the report available so that it can be studied and amendments moved in Committee. I am sure that better legislation could then be placed on the Statute Book.

The Bill seeks to establish a council to investigate all matters affecting the environment. The council will have extensive powers, and these are contained in clause 3 of the Bill. The council will comprise eight members, that is, four drawn from the Public Service (including the Chairman, who will have a casting vote) and four others to be appointed. I think the Hon. Mr. Russack introduced a most important point in this debate. He said that the four public servants, although they might be extremely honourable gentlemen, would be in difficulty if they criticized the Government. I think this is a valid criticism of the legislation. If we are to have a council that is responsible for the environment, it must be able to present a view that the Government cannot influence. I am not casting any reflections upon its members but, as four or five of them will be public servants, one may well question whether it is the right way for a body, with wide powers to deal with matters concerning the environment, to be structured. I thoroughly support the Hon. Mr. Russack's views on this point.

Not only in Australia but right around the world concern is being expressed about the environment. Although some of this concern is being expressed in emotional terms, I think every honourable member will agree that there is, nevertheless, a need to have on the Statute Book legislation to control these matters. I do not think any honourable member objects to the Government's intentions in introducing the Bill. As has been stated, the original committee, under the

chairmanship of Professor Jordan, was set up by the former Government in 1969. This illustrates that this is not a Party-political matter in any way: it is an area in which we are all vitally concerned.

Nevertheless, before this Bill can be correctly debated, I consider that the information contained in the Jordan committee report should be made available to every member of Parliament, and I suggest to the Government that, before bringing to bear any pressure for this Bill to pass in this Council, a copy of that report should be made available to honourable members so that their contributions to the debate can be made with all information available to them.

The Hon. R. A. GEDDES secured the adjournment of the debate.

STATUTES AMENDMENT (VALUATION OF LAND) BILL

Adjourned debate on second reading.

(Continued from September 14. Page 1323.)

The Hon. M. B. CAMERON (Southern): This Bill has been introduced to cover situations that have arisen in many other Acts as a result of the passing of the new Valuation of Land Act. I do not think I should allow this Bill to pass without my saying again about land valuations what I said when the Valuation of Land Act was passed. I do not believe the present system used for the valuation of land, particularly in relation to land tax, responds sufficiently to local problems.

Many areas of the State are seriously affected because sales of neighbouring land are taken as almost the one and only criterion in establishing land values. People in rural areas whose land borders special purpose land and who, in many cases, because of insufficient capital are unable to take advantage of the special purpose will continue to experience serious problems. The land owned by these people will automatically increase in value to a point where it will be almost impossible for them to continue in economic production.

I do not have to specify the areas again, although certainly such areas do exist in the South-East: I refer particularly to Padthaway and the Coonawarra area. It is wrong that a system of valuation should be used that does not take into account the ability of the person concerned to pay the tax, because of the high valuations being made. Until we take into account the actual production of a property,

the rural community will without doubt experience problems.

Many problems have arisen as a result of this legislation. Early last year I took up with the Minister of Local Government on behalf of the Dairymen's Association in Mount Gambier a matter relating to the valuation of milk vats used on dairy farms. The Minister in a letter gave a favourable reply, indicating that the matter had been recognized and would be corrected. On July 19 I asked the Minister of Lands, representing the Minister of Local Government, the following question:

The Minister of Local Government indicated to me and the dairy industry in the previous session of Parliament that the Local Government Act was to be amended to allow for any farm fixtures that could be removed without disturbing the soil to be deducted from the valuation. He also said that legislation was to be introduced to bring this into effect. Could the Minister of Lands now ascertain from his colleague when this will happen and whether it will finally relate to the valuation?

On July 27, the Minister of Lands replied as follows:

My colleague, the Minister of Local Government, informs me that when he last communicated with the honourable member on this subject he indicated that the necessary amending legislation would be introduced by way of regulations under the new Valuation of Land Act. These regulations were gazetted on June 15, 1972, and are presently lying before the Council.

I understood from that reply that this matter had been corrected and that plant and machinery (particularly the milk vats) on these farms was no longer to be assessed. However, in the August 19, 1972, issue of the *Border Watch*, Mr. K. J. M. Cuthbertson, a valuer who makes private valuations for councils and other people, gave the following very lengthy reply to what had been said by the Minister and me in the House and in public statements:

I refer to some recent comments which appeared in the *Border Watch* concerning the ratability of plant. Judging from the tone of these remarks it appears as if some misunderstanding has occurred. Unfortunately I do not have the advantage of knowing what has transpired between the South-East Dairymen's Association and Mr. Virgo on the one hand and Mr. Cameron M.L.C., on the other.

However, I have carefully examined the Act and regulations and have also sought legal counsel on the correct interpretation. As a matter of fact, I was a member of the legislative committee of the Commonwealth Institute of Valuers from whom the Government sought advice before passing the legislation. The Act referred to is the "Valuation of Land Act, No. 113 of 1971", and the relevant regulations were proclaimed on June 15, 1972.

Without completely reviewing the legislation, a few general comments may clarify a somewhat confused situation. In the first place, this Act does not refer to the Local Government Act, but applies to the Land Tax Act of 1936, the Waterworks Act of 1932, the Sewerage Act of 1929 and the Water Conservation Act of 1936.

Furthermore, this Act does not apply to existing valuations but only to new ones. In addition, the Act clearly states that if the value of the land is enhanced by the existence thereon of any fixture, these fixtures must be taken into account when the valuation is made.

Of course, the controversy will arise as to the correct interpretation given by the Minister, Mr. Virgo, and in particular with his comments relating to the exclusion of milk vats. One must bear in mind that several judges of the Supreme Court have, from time to time, placed an opposite interpretation.

From a valuer's point of view, it is suggested that the decision as to whether or not fixed plant should be rated is not one which should be taken lightly.

To some individuals it may appear that the exclusion of milk vats, milking machines, shearing plant, etc., will result in a decrease in rates paid. However, a more perceptive person will realize that such an order for exclusion would also apply to the various milk factories and other industrial undertakings where plant investment constitutes the greater proportion of the overall valuation. Therefore, in the ultimate, he could well find himself paying more rates because of the concessions given to these organizations.

As far as your council is concerned, with the present assessment our practice of including fixed plant in our valuations is not in any way affected by the new Act, nor does it appear that we will have to alter our previous practice

when completing the new assessment in 1973. On the other hand, if amending legislation deems otherwise then the valuer will cheerfully conform.

It seems from that reply and from the many things that have occurred in this Council regarding this matter that considerable confusion exists. Indeed, despite the assurance I was given that the regulations placed on the table of this Council would cover the situation, they have not in fact covered it. This valuer, who practises in this area to a considerable extent, has said that he does not consider the regulations have covered the situation at all. I have not been able to get a clear interpretation of the Act to see whether it covers the situation and whether section 134 was introduced to ensure that the regulations brought in on June 15 were valid. However, I shall be asking questions on this in the Committee stage; it is a very important matter that needs to be explained quite clearly so that there will not be the confusion that has been brought about by the controversy between the valuer and the Minister, and the interpretation by departmental officers. I should like to comment further on several points, but at this stage I seek leave to conclude my remarks.

Leave granted; debate adjourned.

ADJOURNMENT

At 3.2 p.m. the Council adjourned until Wednesday, September 20, at 2.15 p.m.