LEGISLATIVE COUNCIL

Wednesday, November 27, 1974

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

QUESTIONS

TRANSFER OF LAND

The Hon. R. C. DeGARIS: I direct the following question to the Minister of Forests: recently, a resolution was passed in this Chamber dealing with the matter of the transfer of section 116, hundred of Riddock, to Brian de Courcey Ireland, of Mount Burr. Has this transaction been completed and what contact has the Woods and Forests Department had with Mr. Ireland?

The Hon. T. M. CASEY: To the best of my knowledge (and I can confirm the first part of it, anyway) I contacted the Woods and Forests Department immediately after the position had been clarified in this Chamber. Officers of the department went to see Mr. de Courcey Ireland, but unfortunately he was on holidays. Only two weeks ago I again discussed the matter with the department, and told the officers to try again to contact Mr. Ireland to work out where the fence line should be so that we could proceed with the survey. I understand this was to have been done last week, and in view of the question raised by the Leader I will ascertain the position and inform him as soon as possible.

The Hon. R. C. DeGARIS: I seek leave to make a personal explanation following on the Minister's reply.

Leave granted.

The Hon. R. C. DeGARIS: I want to make a personal explanation to impress on the Minister that the vendors, the Whennen brothers, are being held up in this matter and it is costing them a good deal of money in interest while awaiting settlement. It is very important that the settlement be made as soon as possible, for that reason.

MEAT

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

Leave granted.

The Hon. C. R. STORY: My question concerns the setting up of a meat authority in South Australia and the legislation that reconstructed the Metropolitan and Export Abattoirs Board in the shape of the South Australian Meat Corporation. During that debate, the Minister said, in answer to a question, that it was the Government's intention to revise the whole meat legislation in this State. I notice that recently the Tasmanian Government has received a complete report from a committee of inquiry on the setting up of a meat authority. The Brewer report of New South Wales has been before the Minister of Agriculture in that State for some time, and the Government there intends to move on that. Several inquiries have been held in South Australia into this whole matter (I think the most recent one was chaired by Mr. Max Dennis, who was at one time Chairman of the Public Service Board) for the specific purpose of introducing legislation into Parliament to cover all the functions of the meat industry. Sir Edgar Bean was retained by that committee to prepare legislation and have it in order before its presentation to Parliament. Can the Minister say whether the Government intends to bring down legislation during 1975 and whether or not it possesses sufficient information to introduce proper legislation to deal with the whole matter? Also, can the Minister tell me the names of the people comprising the advisory board under the Samcor legislation which was provided to take the place of sectional interests under the old Metropolitan and Export Abattoirs Board?

The Hon. T. M. CASEY: I hope to introduce legislation in 1975 to cover the matter raised by the honourable member. I do not quite follow the honourable member's second question. I did indicate that an advisory board would be set up under this meat legislation, comprising all sections of the industry. What the personnel will be at this stage I cannot say, because the advisory board numbers have not yet been determined. Under the Bill when it becomes law, an advisory board will be set up to control the meat industry in this State.

BUILDING BLOCKS

The Hon. A. M. WHYTE: I seek leave to make a short statement before directing a question to the Chief Secretary.

Leave granted.

The Hon. A. M. WHYTE: It is Government policy to implement the development of building blocks for sale under the provisions of the State Planning Authority legislation, such requirements as drainage, kerbing, etc., to be carried out through departments, and especially the Engineering and Water Supply Department. I can understand this policy because the departments want to retain their day-labour work force. However, my question refers to the position in Whyalla, where it is also Government policy for such sewerage works to be done by departmental day labour. A developer who has 26 blocks to be serviced and the plant to do it has written to me saying that the Engineering and Water Supply Department has quoted him a price of $68 000 for the work, which is $20 000 more than the price for which he could do the work with his own work force. Much of this $68 000 involves costs of accommodating personnel and of transporting them from Adelaide to Whyalla to work on the project.

The developer is concerned that each one of the blocks to be developed will cost purchasers an extra $1 000 as a result of Government policy. Also, instead of handling the project himself, the developer will have to retrench his day-labour work force. Will the Chief Secretary take up this matter to see whether such a position can be rectified, as day labour is involved in both instances and, if this person's figures are correct (and I have no doubt that they are), it will enable people to purchase blocks in Whyalla for $1 000 less?

The Hon. A. F. KNEEBONE: I will take up this matter with the Acting Minister of Works to ascertain what the situation is, and bring down a report as soon as possible. If I cannot do so this week, I will write to the honourable member about the matter.

DEMAC SCHOOLS

The Hon. M. B. DAWKINS: About a month ago, on October 29, I addressed a question to the Minister of Agriculture, representing the Minister of Education, regarding Demac schools, when the Minister was kind enough to say that he would furnish me with a reply in due course. I am unaware whether the Minister is in a position to do this now. If he is not, will he try to do so before the recess?

The Hon. T. M. CASEY: Yes.

WHEAT QUOTAS

The Hon. J. C. BURDETT: I seek leave to make a brief explanation before asking a question of the Minister of Agriculture.

Leave granted.

The Hon. J. C. BURDETT: Yesterday, in reply to a question, the Minister said:

There is now no significance in having a quota, because quotas do not exist.

The Minister was talking about wheat quotas. I have carefully looked at the relevant legislation, but I cannot find any Statute that says that the Wheat Delivery Quotas Act has been repealed. I can find section 22 and subsequent sections setting out the procedure for determining quotas; further, I can find section 47, which creates an offence, but I cannot find any provision saying that those sections have been repealed. Later in the Act there is provision for the Minister to declare seasons; I understand that that is what he has done. This has the effect of suspending quotas for the season that has been declared. Can the Minister tell me what legislation has repealed the Wheat Delivery Quotas Act or sections 22, 47 or other sections creating and maintaining quotas?

The Hon. T. M. CASEY: As I intimated yesterday, the honourable member never gives up. The situation is, of course, that this harvest has already been catered for under the legislation. I have received instructions from Canberra to the effect that there will be no quota year for the 1975-76 harvest; that is the season to which I was specifically referring. I can assure the honourable member that the Act and the relevant parts of it will be amended so that this matter can be taken care of, so that next year will not be classified as a quota year. It is not necessary to do it at this stage, because the wheat has already been catered for in connection with this harvest. Any wheat grown this season can now be put into the silos, and the first advance can be paid, irrespective of whether the wheat is quota wheat, over-quota wheat, or non-quota wheat. So, I can assure the honourable member that this matter will be taken care of in due course. I suppose, if one is to be absolutely specific, as the honourable member has been, one must say that the honourable member was quite correct. However, when I said that there was no need to worry about quotas from here on, I meant that that would be the situation.

BUTE POLICE STATION

The Hon. M. B. DAWKINS: Has the Chief Secretary a reply to my question of October 23 about the possible closure of the Bute police station?

The Hon. A. F. KNEEBONE: To elaborate on my reply to the honourable member when he first raised the question on October 23, 1974, I have been informed that a comprehensive survey of the Bute police district was made by the Management Services Branch of the Police Department in 1971. It was found that the police station premises required renovating at considerable expense but, more importantly, the work load was insufficient to justify the retention of a police officer, and since 1971 the work load has decreased further. Bute is not isolated in a relative sense. It is connected by good roads to Kadina (32 kilometres) and Snowtown (24 km). A good deal of shopping and business is transacted by Bute residents outside Bute. For some time, experimental patrolling of the Bute police district has been carried out from Port Wakefield and Snowtown. This has been found to be completely feasible. It is intended, therefore, that the Bute police district will be apportioned between Snowtown and Port Wakefield police as from December 7, 1974. The township of Bute will receive regular and irregular visits by Snowtown police. For this purpose, convenient times will be arranged to accommodate the small amount of routine business generated by the local, very law-abiding population. The Port Wakefield and Snowtown police stations have had their staff supplemented and radio-equipped police vehicles supplied. This will provide a much more effective patrol level and coverage than can be provided under the present arrangement. Also, the additional staff and communication facilities at Port Wakefield will provide a much better coverage of the road from Kulpara to Port Broughton and supplement Snowtown police in patrolling Bute itself. Experience in other areas where this method of policing has been provided gives confidence that the reorganisation will give Bute residents an improved policing service with better cost effectiveness to taxpayers, by the fullest use of staff and equipment at Port Wakefield and Snowtown.

RURAL BROADCAST

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: This morning I listened to the Australian Broadcasting Commission's rural news, and a statement attributed to the Minister in respect of superphosphate was, I believe, incorrect. First, the figure of $15 a tonne was referred to as the present price of superphosphate. I believe that is incorrect. Another figure of $45 a tonne was also mentioned. Has the Minister had this matter drawn to his attention? If he has, will he say whether or not the statement made on the broadcast was incorrect and whether any action has been taken to correct the situation?

The Hon. T. M. CASEY: I will certainly look at the matter the honourable member has raised and see whether the statement is incorrect. I will ensure that the matter is corrected, if that is necessary.

PARK LANDS

The Hon. C. M. HILL: Has the Minister of Health a reply to my recent question regarding the laying of a third railway line within the broad gauge system through the Adelaide park lands from the north to Adelaide railway station? In asking my question I referred to experiments that had been undertaken with apparent success by the South Australian Railways Department in an area further north, where a third line had been successfully laid and a standard gauge railway track was established on the existing broad gauge right of way. If such a scheme applied in the park lands it would dispense with the need for further acquisition of additional park lands for railway purposes, which is a most controversial matter.

The Hon. D. H. L. BANFIELD: The concept of a third rail has been exhaustively studied and this has led to the opinion that broad gauge passenger trains should not be operated on a three rail track. In this particular area, however, a more significant factor is the expected traffic density between Mile End, Adelaide and Dry Creek. This will be in excess of the capacity of two lines, and, in addition to the existing broad gauge tracks, two standard gauge lines will be constructed. A study is currently being made with regard to accommodating this configuration.

CAR INDUSTRY

The Hon. C. M. HILL: Has the Chief Secretary a reply to my recent question concerning the car industry?

The Hon. A. F. KNEEBONE: In asking his question, the honourable member referred to a ban on the importation of foreign motor vehicles in Sydney. The union ban in New South Wales on car imports has been withdrawn and, consequently, the threat of unemployment as a result of the ban has been removed. It is also important to record that, following extensive and detailed representations

from the South Australian Government and from other interested parties, the Australian Government recently increased the tariff on imported motor vehicles and has announced new policies for the development of the motor vehicle industry. As a result of these measures, it is expected that employment in the motor vehicle and associated industries in South Australia should be safeguarded. I also draw to the attention of honourable members the announcement made yesterday by General Motors-Holden's to the effect that more money will be put into its establishments in South Australia.

CONSTITUTION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from November 20. Page 2081.)

The Hon. A. F. KNEEBONE (Chief Secretary): The Government has considered the Bill and sees no reason why it should not be supported. The proposition contained in the Bill is that the limitation on the number of Ministers that may come from another place should be removed. If this is carried, there will be greater flexibility in regard to the placing of Ministers, either in this Council or in another place. There have been occasions in the past as a result of the previous electoral set-up (which has been altered), when, if the Labor Party had won an election, there could have been some difficulty in providing the required number of Ministers from this place. Had this flexibility been provided earlier, that situation could not have arisen. The Government supports the Bill.

The Hon. M. B. CAMERON (Southern): In answering the rather brief points made in relation to this Bill, I want to say, first, that this Bill did pass in the other place with a unanimous vote; therefore, the people's House, as we like to call it, is clearly in favour of the Bill. It is, after all, the voice of the Government in this State and of the alternative Government. At the time when this became the policy of the Liberal Movement, two other members of this Chamber were fellow members of the movement. I look forward to their support on this Bill.

The Hon. R. C. DeGaris: They woke up!

The Hon. M. B. CAMERON: If this Bill fails (and I suppose one must expect such results in this place) I can assure the Council that it will be reintroduced next year, and again in 1976, when I give notice that it will pass, with the support of the Labor Party. I could make other points in reply to denials that have been made, but it is only raking over the coals of the past, and I do not believe it would serve any point, because the franchise issue is past and forgotten, thank goodness, and I do not want to embarrass members who were involved in that fight. I urge members to support the Bill to save us the trouble of going through the whole performance again next year.

The PRESIDENT: As this is a Bill to amend the Constitution Act and to alter the constitution of the Houses, the second reading is required to be carried by an absolute majority of the whole number of the members of the Council. I have counted the Council and, there being present an absolute majority of the members, I put the question "That this Bill be now read a second time". For the question say "Aye", against "No". I think the "Noes" have it.

The Hon. M. B. Cameron: Divide.

The Council divided on the second reading:

Ayes (6)—The Hons. D. H. L. Banfield, M. B. Cameron (teller), B. A. Chatterton, T. M. Casey, C. W. Creedon, and A. F. Kneebone.

Noes (11)—The Hons. J. C. Burdett, Jessie Cooper, M. B. Dawkins, R. C. DeGaris (teller), R. A. Geddes, G. J. Gilfillan, C. M. Hill, F. J. Potter, V. G. Springett, C. R. Story, and A. M. Whyte.

Pair—Aye—The Hon. A. J. Shard. No—The Hon. Sir Arthur Rymill.

Majority of 5 for the Noes.

Second reading thus negatived.

PRIVACY COMMISSION BILL

Adjourned debate on second reading.

(Continued from November 20. Page 2075.)

The Hon. A. F. KNEEBONE (Chief Secretary): The Government opposes this Bill. There is no occasion for a commission to conduct further investigations and inquiries on this topic. Privacy and the laws which are needed to protect it have been the subject of exhaustive investigation in common law countries since 1890. Since the Second World War there have also been extensive investigations and vast experience of the operation of privacy laws on the continent of Europe. In the last few years the Younger committee and the Justice committee have conducted investigations and furnished reports in the United Kingdom, and there have been the debates in the House of Commons on the private members' Bills. There has been a vast amount of literature and much experience of the operation of privacy laws in the United States and Canada. The Law Reform Committee of South Australia investigated the subject and furnished a report which is available to members. There has been no lack of investigation and consideration.

What is needed is decisive Parliamentary action. The Government has formulated concrete proposals which have been placed before the Parliament. One of these was the Bill to create the tort of invasion of privacy, which was defeated in this Chamber. Another is the Fair Credit Reports Bill. The Government will place other measures before the Parliament in due time. This commission would be an expensive and fruitless political exercise which would serve no useful purpose but which might well serve as an excuse for inaction. The Government opposes the Bill and urges that Parliament should give its earnest attention to the Government's proposals for the protection of the privacy of the citizen that have been and will be placed before the Parliament.

The Hon. F. J. POTTER (Central No. 2): As I strongly support the cause that this Bill seeks to advance, I will vote for it. However, having said that, and having regard to what I said previously on the other measure, which is no doubt fresh in honourable members' minds, ironically I cannot have much enthusiasm for the Bill itself, because it is really based on a misconception. That has been confirmed by the statements that the Hon. Mr. DeGaris has made from time to time, that we need a commission to tell us in Parliament how we should extend existing laws. I ask him what laws he is talking about. Is he talking about Statute law or about common law? If he is talking about extending Statute law, that is no more than a commission to advise Parliament how the Statute law should be altered. Breach of privacy has little to do with our existing Statute law; it is concerned with it in only a minimal way.

If the Leader is talking about extending the existing common law on the matter, I fail to see what good can be achieved, because that is a matter the courts can decide, anyway. They can use their existing powers and forms of action in the way they have always used them in the past. They have used them in the various cases that have come before them, so they do not really need to be advised in advance how they should do this in

future cases. Normally, that is not a function for the Legislature, anyway. What we need, and what I tried to point out previously, is the missing piece of armoury. The court, once it is given a new ground of action—breach of privacy as a tort—can adapt it in its own way. So, from that point of view, I cannot see how a commission can tell the court how to do its job, because that is really what it amounts to.

I am opposed to any statutory interference with the court's legitimate and usual functions. All the Legislature can do, and what it was asked to do in the previous Bill, is give the court the tools to do the job, to lay the foundations. So, for the life of me, I cannot really see how this will achieve the purposes the Leader wants. I think I said earlier, too, that there are too many examples of how privacy can be breached for a commission to sit down and think about them in abstract. Perhaps, if we divided the subject up into two broad divisions, we would have breaches of privacy committed by individuals, in which the press or the media were not involved, and breaches of privacy in which the media or the press might be involved. In the second division, we can readily identify the types of breach of privacy or give examples of breaches of privacy that the press from time to time perpetrates. I do not think I need go into examples of that. I thought there was a good example in the press yesterday of a certain leading citizen whose separation from his wife was given publicity. I see no need for that. If I had some sort of family tragedy (if, for example, my daughter happened to be arrested on a drug charge, or something like that), I do not think the newspaper should print that she is the daughter of Mr. Potter, M.L.C., or something like that. That is the kind of thing of which we see plenty of examples.

We can readily identify that type of problem. I notice that one matter in the Bill is for the commission to consider the possible setting up of a press council. That could be useful and I should like to see it, but the existence or the work of a press council would go to only some of the matters that honourable members complained about in previous debates, namely, to certain conduct or ethics that the press failed to live up to on some occasions. The setting up of a press council and for that council to have some oversight in the general day-to-day work of the press and the media is probably a good thing, and I should like to see it brought about. It might do much to combat some of the difficult or unsatisfactory practices that honourable members have complained about from time to time. It has really nothing to do with breach of privacy, however. It is interesting to look at some of the examples that come from real life in the textbook of Dr. Fleming, and see how it would be impossible in advance to sit down and think about all the possible ways in which privacy could be breached, particularly by an ordinary individual not connected with the press or the media. That is the real difficulty. It is for the court to look at the facts and circumstances of individual cases as they arise and decide whether or not a breach of privacy is involved.

As I have said, I am strongly and sincerely in favour of doing something to further the cause of setting up controls on people or corporations that will prevent their breaching the privacy of individuals. At least, the Bill has this in mind; consequently, I will support it. I have not much doubt that the commission to be set up, will, if it looks at this problem thoughtfully, come back to Parliament and recommend that something be done along the lines of the Privacy Bill that was previously before honourable members. This is the inevitable and only result that will occur. If this Bill will facilitate something in that direction, I shall indeed be pleased. I support the second reading.

The Hon. C. R. STORY (Midland): I rise briefly to support the second reading. In my speech during the debate on the Government's Privacy Bill, I said I favoured the type of thing provided in the present Bill. Having listened to and read many pronouncements that have been made by people in various places since the Legislative Council rejected the Government's Privacy Bill, I am more than fortified in my opinion that we need some form of legislation along the lines advanced by the Hon. Mr. DeGaris. I believe this is necessary and that nothing but good can come from the setting up of a body as is contemplated in this Bill. Also, some form of redress must exist for people who are wronged.

It is not good enough for one to write a letter to the press, which seems to be some people's remedy for everything. A properly constituted body that can listen to legitimate complaints and take action to draw wrongs to the attention of a proper authority, a properly constituted press council or an association set up by any section of the media is a good thing.

The Hon. J. C. BURDETT (Southern): I, too, support the second reading. I spoke at some length on this matter in the second reading debate on the Government's Privacy Bill, when I said I supported this approach. It is the approach of the Morison committee, which recommended exactly this general step. Possibly, this Bill does not go as far as the Morison committee goes.

The Hon. R. C. DeGaris: There is no reason why it should not, if the Government co-operates.

The Hon. J. C. BURDETT: That is so. The Morison committee suggested the establishment of a permanent statutory body to consider this matter and to advise Parliament. I said in the second reading debate on the Privacy Bill that the fault of the Younger committee was that it went out of existence after it made its report. That report opposed the establishment of a new tort, which the Government's Privacy Bill sought to establish. To me, the principle of the present Bill is excellent. It sets up a statutory committee which will exist indefinitely and which will act as a watch dog that will be able to advise Parliament.

There is no doubt that at present, because of our sophisticated society and modern methods of invading privacy, varying breaches of the right of privacy will occur. It is therefore necessary to have a continuing body that can keep an eye on this matter all the time and advise Parliament. It is fair to say that it is not necessary to provide a general tort or a general unspecific remedy. Our society is changing so quickly, and the changes in this field in relation to privacy are so rapid, that it would be a mistake to think that we could provide all the answers to this matter in one fell swoop. It would be far better to set up a body that could continue to examine the matter and tell Parliament from time to time what needed to be done.

When speaking on the Government's Privacy Bill, I said, in reply to a question, that it could be 100 years before a tort of privacy was fully worked out by the courts. I adhere to that statement, despite some criticisms that were made of me for saying it. In any event, it would certainly be a considerable time before it could be known exactly what were the rights of the press or of anyone else who made statements about anyone else on the matter of privacy.

This is a far more sensible and positive approach, as it provides a permanent commission which will always exist and which will always be responsible for reporting to Parliament on breaches of privacy. I am a great upholder of the common law, which has many merits. However, it does not move quickly and, indeed, it does not move as quickly as is necessary in this field. Under the Privacy Bill, which sought to set up a new tort for breach of privacy, it would take some time to get things sorted out. Certainly, it would take at least five or 10 years in some fields. The commission proposed in this Bill would be able to act much more quickly and suggest to Parliament legislation that could be hard-hitting, right on the spot and what was needed at the time.

The Hon. M. B. CAMERON (Southern): Reluctantly, I do not support the second reading of this Bill, the timing of the introduction of which has been most unfortunate. We seem to be engaging in some sort of game of one-upsmanship with the Government: because it introduced a Privacy Bill which the Legislative Council rejected, we must introduce our own. I know that this is not the case and that the principles involved are different. However, it is most unfortunate that this Bill has been introduced at this stage. I do not intend to engage in this game of one-upsmanship. Indeed, I think this Bill ought to have been introduced by the Government, and that the Government should examine closely this whole principle. Instead of carrying out its threat of reintroducing the Bill that the Legislative Council rejected, the Government should examine this approach. It is obvious that there are faults in this Bill, which does not provide for remuneration. I urge the Government to study the matter. In the meantime, I cannot support the second reading.

The Hon. R. C. DeGARIS (Leader of the Opposition): I thank honourable members for the views they have expressed on the Bill. It is obvious that the Hon. Mr. Cameron will again support the Labor Party.

The Hon. D. H. L. Banfield: We're right again.

The Hon. T. M. Casey: You've supported the Labor Party before today.

The Hon. R. C. DeGARIS: That is so, but not with such casualness. As I said in my second reading explanation, this Bill has been introduced because everyone is concerned with the right of privacy of the individual. There is no question of a game of one-upsmanship, or whatever one may call it, in the presentation of this Bill. When the Government introduced its Privacy Bill, no-one knew what it was going to contain. It seems that many honourable members have had to do their homework. I must admit that I have read most of the committee reports and of the work done by various committees of inquiry on this matter, particularly on the Australian and English scenes.

What the Hon. Mr. Burdett has said is true: the criticism that one can make of the Younger committee is that it was not a continuing committee. This point has been made several times. Had it been a continuing committee, constantly examining the technological and other problems that impinge on a citizen's right of privacy, that committee could have fulfilled a worthwhile function. The criticism in this respect comes in the Morison report, which was presented to the New South Wales Parliament and which contained the recommendation that a body such as this should be established. A continuing statutory body is already looking at the matter and it has subcommittees looking at various aspects where it is thought that there are, or will be, invasions of a citizen's privacy.

The Chief Secretary said that it would be a commission of inaction but I do not believe that that is the position, nor is it the desire. Certainly it will be a commission of inaction if the Government does not vote for the Bill; there is no question about that. It is a continuing commission, a statutory body, that will have the present function of examining the existing law and reporting on it. What the Hon. Mr. Potter has said is correct: the body could well recommend the establishment of a tort action. Under the Bill it can do that, but it is for Parliament to make the final decision on these matters.

I admit that the Bill has flaws. An extension of the commission's functions can take place. Indeed, the commission could develop along the lines of being an ombudsman commission. It could hear evidence from any person in the community. It could even have its functions enlarged to decide some other issues. The establishment of a privacy commission is the correct base from which we should proceed. I do not accept the argument that creating legislation to try to define the right of privacy and to define defences is the correct way of doing it, if it can possibly be avoided. This Bill will avoid that situation, and I ask the Government and honourable members to think about supporting it, with the idea of trying my approach. We have ahead of us probably a couple of years before a tort action Bill reappears, if it does reappear. If we try my approach and it solves the problems we are facing, there is no need to move into what possibly would be a very dangerous area: the creation of a right of civil action on a broad and imprecise definition with a broad and imprecise defence clause. I hope the Council will support the Bill.

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

The Hon. R. C. DeGARIS (Leader of the Opposition) moved:

That this Bill be now read a third time.

The Council divided on the third reading:

Ayes (11)—The Hons. J. C. Burdett, Jessie Cooper, M. B. Dawkins, R. C. DeGaris (teller), R. A. Geddes, G. J. Gilfillan, C. M. Hill, F. J. Potter, V. G. Springett, C. R. Story, and A. M. Whyte.

Noes (7)—The Hons. D. H. L. Banfield, M. B. Cameron, B. A. Chatterton, T. M. Casey, C. W. Creedon, A. F. Kneebone (teller), and A. J. Shard.

Majority of 4 for the Ayes.

Third reading thus carried.

Bill passed.

ARTIFICIAL BREEDING ACT AMENDMENT BILL

The Hon. T. M. CASEY (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Artificial Breeding Act, 1961-1974. Read a first time.

The Hon. T. M. CASEY: I move:

That this Bill be now read a second time.

For some little time now it has become apparent that the Artificial Breeding Board established under the principal Act (the Artificial Breeding Act, 1961-1974) can no longer provide the services for which it was established and at the same time remain financially solvent. Evidence of this situation may be obtained from a perusal of the report of the Auditor-General for the financial year ended June 30, 1974, at page 244. Two reasons are suggested for the present situation, as follows: (*a*) first, the growth of "private" inseminators and the demonstrated preference of users for their products with a corresponding decline in the demand for board semen; and (*b*) secondly, the necessarily high and irreducible overhead of the board with a resultant worsening of its financial position.

With the foregoing in mind, the board has proposed to the Government that an arrangement be entered into with the Victorian Artificial Breeders Co-operative Society, an

organisation having experience in this work, to the end that the organisation carries out such of the functions of the board as are still economically viable in combination with its own activities. In the circumstances, the Government agrees that such a proposal is probably the best solution to the problem in that it will still leave the board in existence so that if, at some time in the future, there is a demonstrated need for a resumption of some or all of its activities, the legal framework will be there.

Clause 1 is formal. Clause 2 amends section 3 of the principal Act and sets out the definitions necessary for the purposes of the Bill. Clause 3 amends section 22 of the principal Act by providing the machinery to give effect, if necessary, to proposed new section 24a. Section 22 deals with the making of land and facilities of the Crown or a public authority available to the board. Clause 4, by inserting a new section 24a in the principal Act, empowers the board, with the approval of the Minister, to enter into an agreement of the kind referred to in that section. Clause 5 provides an appropriate regulation-making power to ensure that only semen from proven sires is used in artificial insemination programmes. I commend the Bill to honourable members and assure them that its speedy passage will facilitate an important matter getting under way.

The Hon. C. R. STORY (Midland): In rising to support this Bill I am sorry that these amendments are necessary, but they are necessary because the Artificial Insemination Board has run into serious financial difficulties. These have been caused by several reasons. First, in common with so many other people and institutions at this time, the board is faced with liquidity problems. The board is heavily in debt and owes a considerable amount of money to the Government. The second problem results from the lack of producer support, and this has occurred to an alarming degree. When the board was established during the term of office of the Hon. D. N. Brookman as Minister of Agriculture, it was visualised that there would be about 30 000 dairy animals in South Australia, the owners of which might avail themselves of the services of the board. Unfortunately, the number of animals involved never rose above 24 000, and for several years the number has been well below that figure.

The Hon. R. A. Geddes: What does the 24 000 cover?

The Hon. C. R. STORY: About 24 000 dairy animals actually use the services of the board. In other words, 24 000 of South Australia's dairy animals were artificially inseminated out of a total of 50 000 dairy cattle. The proportion is almost half, but that was at the best of times, and the number is well below 20 000 at the present time. There are several reasons for this. The board trained several inseminators who, as soon as they were trained, left the centre and by some private arrangement got themselves an agency with an interstate inseminator. They have brought semen in from other States and have worked in opposition to the artificial breeding centre run by the board.

Another problem is that the centre is over-capitalised. There are buildings, space and equipment to handle at least 100 000 animals. Unfortunately, the board has never attracted the amount of patronage from the beef industry that was originally foreseen. In fact, while the board is training inseminators, who have gone to do work with beef herds, little patronage came from the beef section of the industry. In order to continue to provide a service and to try and get the centre on a financially viable basis, an agreement has been reached between the Artificial Insemination Board of South Australia and the Victorian Artificial Breeders Co-operative. The headquarters of that organisation is located at Bacchus Marsh, and the organisation is under the chairmanship of Sir John Reid, whom many people would know from his other activity in respect of Hardie Rubber Company.

Sir John Reid has played a large part in the negotiations with the South Australian board. The agreement is in draft form and can be signed at any time once Parliament has passed this Bill. The board will remain in operation and will act as an advisory committee to the new lessees. That is a good thing, because there will be three producer members on the board and two Government members. They will act in an advisory capacity and, in fact, they will be liaison officers between the South Australian producers and the Victorian principals. That is a good arrangement. I understand that the industry has been thoroughly canvassed. I have done some quick research, but I only knew yesterday that the Bill was to be introduced. I understand that all sections of the industry are in favour of the move, which is seen as being a great improvement on the existing situation.

Provision has been made for the staff to be absorbed by the new lessees, except for the Director, who has expressed a wish to retire. Colonel Rose has done an excellent job in most difficult circumstances. I think the centre would have folded up long ago had it not been for his tenacity. He is a most experienced veterinarian and a person completely dedicated to the job in hand.

The other important provision deals with the standard of semen to be used. At present we have no regulations in South Australia laying down standards for the product, but the legislation provides for this to be done by regulation, and only proven bulls will be used. They will have to meet the progeny test laid down by the Victorian department as well as the provisions our own department will put forward.

The Hon. R. A. Geddes: Are you on the side of the bull or on the side of artificial insemination?

The Hon. C. R. STORY: To spare the rod is to spoil the child, as I have said frequently in this place.

The Hon. T. M. Casey: What has that got to do with artificial insemination?

The Hon. C. R. STORY: It has a great deal to do with it, if the Minister analyses it. The situation is improved by these various provisions, and we will have a set of guidelines for the standards of the sires. We will have, too, some guide as to the people who will be operating in South Australia outside the board, outside the provisions of the new set-up, but who will have to meet the requirements and standards laid down in the legislation. That can have only a good effect. A great mistake was made in the early stages of artificial insemination when the same thing happened as happens so frequently in Australia: everyone thinks it is a good lurk and everyone wants to get on the band waggon. It would have been far better if three States of the Commonwealth, as a maximum, had set up breeding centres. In 1970, I visited three stations in West Germany as well as stations in northern and southern Ireland. They were most up-to-date organisations, and one big breeding centre catered for the whole of the country. In that way it has been possible to grade the best bulls into the artificial insemination scheme and to raise the standards considerably.

We would have been much better off in Australia if we had had two or three main centres, and not this proliferation of what might be called second-rate set-ups that have come about in some cases. We would have been better off, too, if we had channelled our money into that situation

rather than into the bull improvement scheme and into bull licensing. We have wasted much time over the years. I am pleased to report that the Dairy Producers Association is happy with the Bill. I am pleased, too, that the staff at Northfield is to be looked after and that no-one will be pushed around in this new concept. I hope that nothing but good will come of it. There is nothing to stop a person from inseminating his own animals at present but, if he wishes to inseminate other people's animals, or to provide the service for profit, he must register and get a permit under the Stock Diseases Act. That is a necessary provision that should continue.

I cannot see anything wrong with what has been done. I hope that, with the changes being made, the Victorian artificial breeders will have great success and that the Northfield board's property will be made an outstation of Bacchus Marsh, giving this State the specialised attention that has been given to producers in Victoria in this matter of artificial breeding. I support the second reading.

Bill read a second time and taken through its remaining stages.

FORESTRY ACT AMENDMENT BILL

The Hon. T. M. CASEY (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Forestry Act, 1950-1956. Read a first time.

The Hon. T. M. CASEY: I move:

That this Bill be now read a second time.

This short Bill is intended to resolve certain difficulties that have arisen in relation to the application of the principal Act (the Forestry Act, 1950-1956) to forest reserves. As honourable members will appreciate, generally the dedication of land as forest reserve is intended to be permanent. However, at times it is necessary that all or portion of a forest reserve be released for some other use. As the law stands at the moment forest reserves have been established (*a*) under the Crown Lands Act, as to which see section 5 (*f*) (III) of that Act; or (*b*) under one of the Acts antecedent to the present Forestry Act.

Little difficulty has been found in relation to forest reserves established under the Crown Lands Act, since machinery exists under that Act to release land on the rare occasions when it has been required. However, there is no power to release any forest reserve established under Acts antecedent to the present Forestry Act. A further complication has occurred in that the present definition of "forest reserve" under the Forestry Act provides that "any land vested in the Minister of Forests, or held by him under licence" is forest reserve. This has led to the somewhat unexpected result that, for instance, dwellinghouses vested in the Minister of Forests have become "forest reserves" by virtue of the operation of that definition, and as a result of the operation of the proviso to section 16 of the Forestry Act the power of the Minister to dispose of such property has been restricted.

Clauses 1 and 2 are formal. Clause 3 amends section 2 of the principal Act by striking out the present definition of "forest reserve" and inserting a new definition of "forest reserve", and also by including a definition of "Crown lands". This new definition of "forest reserve" is in aid of proposed new section 2b of the principal Act. Clause 4 proposes the insertion of sections 2a, 2b and 2c. Proposed section 2a in effect provides that until a former forest reserve is declared under proposed section 2b it shall cease to be a forest reserve. Proposed section 2b provides for the declaration of forest reserves and also provides for the removal of land from a forest reserve. It is proposed that this removal will be subject to Parliamentary approval, because, as has already been mentioned, forest reserves are generally expected to be dedicated in perpetuity. The combined effect of these two clauses is, as it were, to wipe the slate clean and enable the existing forest reserves to be redefined and to be readily ascertainable. Proposed new section 2c validates what are thought to be somewhat doubtful releases of forest reserves, being purported resumptions under the Crown Lands Act of land that had been dedicated not under the Crown Lands Act but under Acts antecedent to the present Forestry Act. Clause 5 amends section 16 of the principal Act by validating purported transfers of property that may have been invalid by virtue of the operation of the proviso to section 16 adverted to above.

The Hon. C. R. STORY (Midland): I support the second reading of the Bill, which was introduced by the Minister of Forests. This is interesting, because the Minister of Forests has, in the whole history of the legislation, on only one other occasion found it necessary to amend the principal Act. This shows that the Woods and Forests Department has worked pretty well under the legislation. Of course, as in other situations, a coat of paint sometimes becomes necessary. The principal Act is not being altered very much, but what is being done is essential. The Bill effects a great improvement in the existing set-up. If anyone was asked where the South Australian forest reserves were, I guarantee that he would not give an answer within hundreds of miles of the location of the reserves. The Bill brings these reserves within the ambit of proclamations. Forest reserves will come under a new definition, which will be declared by proclamation on a day to be fixed by the Governor.

There is a saving provision in the legislation, and I wish the Government would insert this provision more often in legislation: in the case of reserves declared under the legislation, the proclamation will be laid on the table of Parliament and will remain there for 14 sitting days. If the proclamation is not challenged within 14 days of its being laid on the table, it becomes law. Under the existing legislation the Minister cannot undedicate land assigned to him, but provision is made in this Bill whereby the Minister can, by proclamation, declare any portion of a forest reserve to be removed from the provisions of the legislation, provided the proclamation is laid on the table of the Council. If the proclamation stands the test for 14 days, the Minister can act accordingly; that is a very satisfactory provision.

The Bill also amends section 16 of the principal Act, where there is a proviso making it obligatory not to sell land that has been dedicated under the Act. Under the Crown Lands Act it is possible for land to be undedicated, and in future virtually the same provisions will apply under the Forestry Act as exist under the Crown Lands Act. We have adequate protection, because Parliament has the last say, it being able to disallow anything brought down in connection with the acquisition or the declaration of land in connection with forest reserves.

The other provision is a good one. In the case of forest reserves which are actually town building blocks with houses on them (and this could apply at Nangwarry, Mount Burr and several other forests in South Australia), the Minister, if he finds that those areas, houses or building blocks are surplus to future departmental requirements, will be able to dispose of them. Moreover, he will have a survey plan of the area showing where land can be transferred under freehold title to anyone who wishes to buy any portion of a town so declared as being under a forest reserve.

I see no reason to hold up this legislation. I believe it improves the whole situation, because it tidies up something that I believe should be tidied up. I am being consistent

in supporting this Bill, because I am a great believer in trying to get legislation under one roof so that ordinary people like myself, who pick up legislation and read it, at least have an even money chance of understanding what it means. But, if one has to chase through legislation, volume after volume, it makes it extremely difficult and it is no wonder that people break the law. This is a good Bill, and I support the second reading.

Bill read a second time and taken through its remaining stages.

BUSINESS FRANCHISE (TOBACCO) BILL

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

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That this Bill be now read a second time.

It establishes a system of licensing for wholesalers and retailers of tobacco and is the second taxing measure I referred to in introducing the Business Franchise (Petroleum) Bill. I reiterate in relation to this measure the statements I made in introducing that Bill, namely, that the Government has no alternative but to proceed with both measures in view of the Budget situation and the absence of adequate financial assistance from the Australian Government. This measure, if enacted, should contribute towards relieving that situation by providing an estimated $2 000 000 this financial year and $4 000 000 in a full financial year.

The Bill is in most respects similar in form to the Business Franchise (Petroleum) Bill. It is based on the same licensing system which has been upheld constitutionally, but is less complex, largely because the tobacco sales structure is less complex than the sales structure of petroleum products. The Bill departs from the petroleum measure, however, by providing that the percentage component of the licence fee is payable by the wholesalers of tobacco, not the retailers, the latter being required to pay the percentage component only in respect of tobacco that was not purchased from a wholesaler licensed under the measure. This departure should result in greater administrative convenience for both the Government and licensees, and was made possible by constitutional considerations arising from the fact that tobacco, unlike petroleum products, is not manufactured in the State.

Clauses 1 to 3 of the Bill are formal. Clause 4 sets out the definitions necessary for the purposes of the Bill. While most of these definitions are reasonably self explanatory, I would draw honourable members' particular attention to the definition of "value" which will be touched on in relation to clause 13. Honourable members will also note that, by subclause (9) of this clause, the Crown is bound since some Government instrumentalities are themselves retailers of tobacco. Clause 5 provides that the measure shall be in addition to any other legislation in this area. Clause 6 provides that this measure, as in the case of the petroleum measure, shall be administered by the Commissioner of Stamps.

Clause 7 provides for the appointment of inspectors and clause 8 confers on such inspectors the same powers in relation to tobacco as are conferred on inspectors under the petroleum measure in relation to petroleum products. Clause 9 requires persons engaged in tobacco wholesaling to be licensed on and from April 1, 1975, and persons engaged in tobacco retailing to be licensed on and from October 1, 1975. Clause 10 prohibits the sale of tobacco by non-licensees after October 1, 1975, and the sale of tobacco by licensees from premises other than those specified in their licences.

Clause 11 sets out the fees payable for licences. In the case of wholesale tobacco merchant's licences, the fee is to be $100 and 10 per centum of sales made in the relevant period, that is, the previous financial year. Because the first licensing period for tobacco wholesalers is to be six months only, their licence fees for that period will be halved as a result of the operation of subclause (6) of this clause which reduces the fees payable for licences which will be in force for less than the full licence year. In the case of retail tobacconist's licences the fee is to be $10 and in respect of the first licence year 40 per centum of certain sales made in the April quarter of 1975 (this represents approximately 10 per centum of those sales over a full year) and in respect of subsequent licence years 10 per centum of certain sales made in the relevant period, that is, the previous financial year. It must be emphasised, however, that generally retailers of tobacco will not be impacted by the percentage component of the licence fee, since that percentage is applicable only to sales of tobacco that was purchased from other than a licensed wholesaler. Almost invariably tobacco sold by retail in this State will be originally purchased from a licensed wholesaler.

Under clause 12 the Commissioner may require tobacco wholesalers and retailers to furnish particulars relating to their sales, purchases or stocks of, or dealings with, tobacco. Clause 13 enables the Minister to attribute a value to sales of tobacco for the purpose of assessing the percentage component of the annual licence fee. It is the intention of the Government to ensure, by the use of this provision, that at no time will any increase derived from the licence fee in the wholesale price of tobacco be reflected in assessing future licence fees. Clause 14 provides for the payment of fees in quarterly instalments. Clauses 15 and 16 make provision for the grant and renewal of licences by the Commissioner, such licences expiring annually on September 30.

Clause 17 provides that a licence ceases to be in force if it is surrendered by the licensee or if an instalment of the fee, or an additional amount payable as a result of reassessment of the fee by the Commissioner, is unpaid. Clause 18 makes provision for reassessment of a licence fee by the Commissioner where he considers it was incorrectly assessed in the first instance. Clause 19 provides for the transfer of licences. Clause 20 requires persons selling tobacco to keep certain records for a period of five years and at subclause (2) provides appropriate exceptions to this requirement. Clauses 21, 22 and 23 provide for appeals against refusals of licences or transfers of licences and for objections to, and appeals against, assessments and reassessments of licence fees. The appeals may be made to the tribunal established under the Business Franchise (Petroleum) Bill.

Clause 24 is the usual provision prohibiting improper disclosure of information obtained in connection with the administration or execution of this measure. Clause 25 provides that it is an offence to provide false or misleading information to the Commissioner. Clause 26 provides protection from personal liability for officers acting in pursuance of this measure. Clause 27 is an evidentiary provision. Clause 28 provides that offences against this measure shall be dealt with by courts of summary jurisdiction. Clause 29 provides that officers of bodies corporate convicted of offences against this measure may be personally liable in certain circumstances. Clause 30 provides for service of documents and notices by post. Clause 31 provides for the making of regulations necessary or expedient for the purposes of the measure.

The Hon. R. C. DeGARIS (Leader of the Opposition): The introduction into this Council of the Business Franchise

(Petroleum) Bill and the Bill now before the Council heralds a new field of taxation, at least in Victoria, Tasmania, New South Wales and South Australia; but only South Australia so far has ventured into both fields of petroleum and tobacco. This will represent an important change in the life of every citizen in this State and in Australia. I do not mean only from the point of view of the consumer; the implications are indeed much wider than that. It will also herald significant changes in the nature of Australian politics. At the community level these two Bills point the way to changes in the nature of taxation in South Australia and to a change in the balance of power between the Commonwealth and the States.

Here I touch on a point raised by the Hon. John Burdett in relation to the constitutional implications. It is certain that these Bills will be challenged, and I think it is certain that they will be held valid following the decision in the Tasmanian case. They represent an important break-through for the State in new revenue areas. Since 1942, the bulk of the State's finance has come from Commonwealth grants. Other forms of State revenue include motor registrations, licence fees, stamp duties, death duties, pay-roll taxes, liquor, gambling and entertainment taxes. Recently, the Commonwealth Constitution was interpreted to leave the other taxing powers to the Commonwealth Government. Following a successful court fight to impose a tax on tobacco in Tasmania, all States are now in a position to impose this type of tax and the trend in this direction has just begun.

Tasmania, Victoria, New South Wales and South Australia have all moved into this field. I would think that, as electoral demands for increased services from State Governments come to those State Governments, the States will be forced to exploit this newly found freedom. Widespread consumption taxes have proliferated in other federations, especially in America and in European federations, and I am certain this will be the case in Australia. In addition to the excise tax already imposed by the Commonwealth at the wholesale level and the sales tax imposed by the Commonwealth, we will see an increase and a proliferation of both wholesale and retail franchise type taxes at the State level. As has occurred in other countries, such taxes eventually will apply to all consumer goods, with exemptions in such things as food and some clothing items.

I wish to emphasise the point I made in debating the Bill in relation to petroleum. I do not object to the movement that is going to occur to a consumer based taxation, although I strongly oppose the Government in relation to the petroleum issue, because that will have much wider effects on the community than just the question of a consumption tax. I do not object to the States moving into this field; it gives the States a new freedom that they deserve, freeing them from the octopus tentacles of centralised government. It would be much simpler if the Commonwealth recognised the growing feeling in the community that people do not want to move into a more centralised administration, that they do not wish to see any further expansion of the Commonwealth bureaucracy.

It would be simpler if the Commonwealth Government recognised that and recognised the problems facing the States, allowing the States the ability to determine their own destiny in the federation. The rise of this type of taxation in the States will bring a major change to the balance of power between the Commonwealth and the States. By practice, I may add, and not by the intention of the Constitution drawn by our founding fathers, the States have been reduced to a supplicant role emasculated by centralist pressures from Canberra and constantly pleading for funds from Canberra. The decision in the tobacco case appears to me to provide, at last, the rainbow's end for the States. It will eventually bring to the States a new-found financial independence from the octopus grip of the centralists.

Over the years, the States have had a shrinking area of discretion in their spending. No only are Commonwealth grants committed almost wholly to fixed cost items, such as police, transport, health, education, and housing, but the growing tendency of the Commonwealth to use section 96 with matching grants gives the Commonwealth an even greater expansion of its powers than was ever envisaged at the drawing of the Constitution. The tragedy in this position is the gradual but certain twisting of the intention of the Constitution. If anyone likes to examine this, I ask him to look at a speech I made some time ago in relation to what happened in 1906 in a High Court decision in relation to Commonwealth surpluses that were supposed to come back to the States, when the Commonwealth, in the original Constitution, was supposed to pay the States all surplus revenue. It paid it into a special fund and, since 1906 from the tax collected from the people of Australia, this money had been lent back to the States at interest and, as the tax was collected from the taxpayer, the Commonwealth developed the biggest hire-purchase business in Australia, at the expense of the States. The present public debt of some $10 000 000 000 or more rests almost entirely with the States: there is little or no Commonwealth public debt.

The development along the lines of greater centralism, and control of finance centrally, most people would oppose. The development of a new area of taxation that would give the States greater independence is a development that most people in this State would applaud because I know from my travels around the State that most people strongly oppose any further centralisation of power. To come to a slightly different point but one that I feel is valid, in this Tasmanian case with this new rainbow that the States can see before them, the question of uniformity of taxation in each State becomes important; otherwise, it will lead to some abuses. I will quote one that would be easy to perpetrate: for example, with a cigarette tax in South Australia of 5c a packet it would be easy for a 20-tonne truck to load in New South Wales 3 000 000 or 4 000 000 cigarettes and take that truck across the border into South Australia; that operation would net the operator $7 500 for each truckload of cigarettes. The policing required to prevent this would be enormous.

I refer the Council to a public inquiry in New York City recently where organised crime had moved into the cigarette business and the illicit dealing in cigarettes became such a big trade that it was impossible to control the situation. This occurred when local government was given specific taxing powers in New York City. That will occur here unless the States all realise that in consumer taxation they have a new field of taxation; it is a means by which they can untie themselves from the demands of the Commonwealth but, unless they can see some uniformity within the States, the disease (one may call it) of border-hopping to make a fortune by evading taxes must be stamped out.

It will be essential for the States to talk together and reach some uniformity; otherwise, these things will happen. These anomalies will create a contempt for the rule of law and vast problems for law enforcement; they will become so large that they will have to be ignored, as is happening in New York City. Tax evasion can then become a way

of life, and tax collection becomes a bureaucratic joke. So, whilst this opening field can mean a magnificent lift to the abilities of the States to get back to their originally intended position in the Constitution, unless the States are prepared to act in concert, the ills could well be their Achilles heel in this situation.

I make the same points again that I made in the petroleum franchise Bill, that I do not oppose the idea of the States' moving into the consumer taxation field, but it must be accompanied, if we are to proceed with this type of taxation, by a substantial reduction in capital tax. We have in this State capital taxation at such a level that very good people in this community are suffering extreme hardship. I do not object to the tax on the basis of the ability to pay but, when tax comes at a capital level and there is no ability to pay, and we are virtually annihilating good people from the point of view of making a living, it is time for the State to re-examine the position.

May I conclude by pointing out that this single item of a 10 per cent tax on the wholesale value of cigarettes will return the State about $5 000 000 a year. If one considers that for a moment, one can see that with a tax of 5c on a packet of cigarettes we shall receive an income that is just about half of the land tax collected in South Australia. That will give honourable members some idea of the field available to the States in a consumer type of taxation.

As we are reaching a more egalitarian society, a much more equal society in income, the State must examine the question of moving further into the field of consumer taxation; but it must also remove some of the heavy burden of local government tax, land tax, succession duties, and stamp duties that are not based upon any ability to pay. In this particular tax, the average South Australian smoker will be paying State and Commonwealth tax of about $3·45 a week to enjoy a cigarette. Of that, the State will be getting $5 000 000 a year, so we can work out how much that is a week—about $19 a year that the South Australian smoker will be paying to the State Government. A comment I could make is that it is probably a little unfair that one group of people, the smokers, have to bear the brunt of this type of taxation at this stage. I hope the Government will examine this matter. I do not oppose consumer-type legislation at the State level; it is an opening that the State should employ. On the same basis as I support that view, I am totally opposed to the imposition of a consumer tax on petroleum products, which can have such an enormous effect on the whole community. I emphasise that, if we are moving into this field, which will give the States a freedom that they have not enjoyed for many years, we must consider a reduction in the capital taxation sphere. At this stage, I am willing to support the second reading.

The Hon. V. G. SPRINGETT secured the adjournment of the debate.

LOTTERY AND GAMING ACT AMENDMENT BILL

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

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That this Bill be now read a second time.

It is designed to amend the Lottery and Gaming Act to provide financial assistance to the racing industry following the Hancock inquiry into racing in South Australia. The proposals that have been adopted seek to provide sufficient funds to horse-racing, trotting and dog-racing to give a boost to these sports and ensure their continued viability. It is expected that this Bill will result in additional funds to the industry in a full year of about $960 000, including an annual provision of an estimated $175 000 to write off the loss on the Totalizator Agency Board Databet operation, without any subventions being required from the State Treasury. At the same time, the effects of taxation on bookmakers and totalisator operations have been minimised as much as possible.

Consequently there will be no change in the turnover tax on bookmakers for local betting and in the deduction that is made on on-course and off-course totalisator win, place, and quinella betting. The changes have been confined to interstate betting with bookmakers and multiple betting with the T.A.B. and on-course totalisators. The Bill also provides that the Racecourses Development Board may borrow money with the consent of the Treasurer for the purpose of improving racing facilities, such loans being guaranteed by the Treasurer. Finally, penalties for illegal betting are increased.

Clause 1 of the Bill is formal. Clause 2 provides for the measure to come into operation on a day to be fixed by proclamation. Clause 3 inserts definitions of "controlling authority" and "multiple betting". Clause 4 amends section 28 of the principal Act and varies the deductions to be made from totalisator revenue, except off-course totalisator betting conducted by the T.A.B. or moneys transferred to the club under section 15a of the principal Act, as follows:

(*a*) There is to be a deduction of 14 per centum from revenue derived from betting otherwise than in respect of multiple betting.

(*b*) There is to be a deduction of 16 per centum in respect of revenue derived from betting on a "double".

(*c*) In respect of revenue derived from other forms of multiple betting, there is to be a deduction of 17½ per centum.

The clause allows any balance remaining to the club after certain dividends have been paid to be paid to the Racecourses Development Board, or to be retained by the club, instead of being put to charitable purposes.

Clause 5 amends section 31n of the principal Act and varies the deductions to be made from money invested with the Totalizator Agency Board for each event on which it conducts off-course totalisator betting in the same amounts as clause 4. Clause 6 makes a consequential amendment. It also protects the position of country racing clubs by providing that the South Australian Jockey Club in allocating moneys for the promotion of racing shall have regard to the amounts allocated to country racing clubs by the Betting Control Board prior to the commencement of the amending Act.

Clause 7 amends section 40 of the principal Act and varies the commission to be paid from bookmakers' revenue as follows:

(*a*) Where the bets are made on a racecourse or coursing ground in the metropolitan area or in registered premises the commission is to be 2 per centum in respect of bets made on events held within the State and 2·6 per centum in respect of events held outside the State.

(*b*) Where the bets are made on racecourses or coursing grounds outside the metropolitan area, the commission is to be 1·8 per centum of the bets made in respect of events held within the State and 2·4 per centum in respect of bets made on events held outside the State.

Clause 8 amends section 41 of the principal Act to provide that, out of the commission paid to the Betting Control Board, 1·1 per centum of the gross betting revenue (with

the exception of revenue derived from betting in registered premises) shall be paid to the racing clubs, and the balance of the commission is to be paid to the Treasurer in aid of the General Revenue. However, in respect of commission recovered from bets made in registered premises between June 30, 1974, and the commencement of this Bill, the board is to pay up to $10 000 for the benefit of country racing clubs.

Clause 9 amends section 42a of the principal Act and increases the penalties for illegal betting to a fine of $2 500 or imprisonment for six months in the case of a bookmaker, and a fine of $500 or imprisonment for three months in the case of the person laying the bet. Clause 10 amends section 48f of the principal Act to provide that the Racecourses Development Board may borrow moneys with the consent of the Treasurer for the purpose of improving racing facilities. Where money is borrowed under this provision, the liabilities of the board are guaranteed by the Treasurer.

The Hon. G. J. GILFILLAN (Northern): I rise to speak to this Bill, which is one stage of giving effect to the recommendations of the inquiry commissioned by the Government into horse-racing and trotting in South Australia. This Bill deals with the financial part of the report, and the other recommendations regarding the rationalisation of racing in South Australia will doubtless be the subject of further legislation. This Bill seeks to increase the revenue available to clubs by increasing taxes and other charges. This should provide an injection of funds into South Australian horse-racing.

I am concerned about the future of provincial and outer-country clubs, especially the latter. I have no doubt that there is enough strength within the racing industry in the metropolitan area to ensure its future success. In fact, I am somewhat concerned at the proposal to increase the number of mid-week meetings in the metropolitan area so substantially. Certainly, it will be to the disadvantage of provincial racing. I believe there has been some unfairness in the treatment of outer country clubs, as the treatment handed out has not been equal to all. Metropolitan clubs have agreed that the first charge on Totalizator Agency Board funds of $58 000 be allocated to country clubs to stimulate those clubs by way of subsidies for stake moneys. I question the allocation of such funds only to some clubs, and not to all clubs generally. It is a difficult matter to handle, because it is a voluntary contribution and it is left to the controlling body of racing to allocate the money. I have a list showing the clubs that benefit, and I am concerned that other clubs, which are viable and managing their affairs very well, receive nothing from this fund.

There are, of course, other sources of revenue going to country clubs, which share with provincial clubs the $10 000 that has been collected in the past by the Betting Control Board from bookmakers at Port Pirie. The legislation provides that this amount will go into general revenue and it will be left to the controlling authority to take this into account in allocating funds to country racing clubs. The money gained from bookmakers' turnover tax is allocated to the non-metropolitan clubs from whose meetings it is collected. These are the main sources of income, and it should be recognised that this contribution of $58 000 from the metropolitan clubs to the non-metropolitan clubs is because the Totalizator Agency Board does not operate at country race meetings.

Certainly, a large sum of non-metropolitan money is invested in the T.A.B., although the T.A.B. itself does not operate at most country courses. It is only fair, as the revenue is received from those areas, that some of it should go back to promote country racing. I am not a racing expert, but I am concerned that, in the rural areas and provincial cities, we should try to help people to make their own cities and districts more interesting places to live in. To many people horse-racing is of some considerable interest, and they consider it an asset to the district. It is only fair that the money collected from taxation (or a large proportion of it) from Port Pirie should go back into country racing.

I should like to see that $10 000 restored rather than see it paid into general revenue, where it would be only a drop in the bucket. I can understand the Government's concern to grasp at every straw in its present financial position, but I believe it is abdicating its responsibility to people in other fields by such a trivial move. We hear about a deficit of $36 000 000, and it is completely wrong to take $10 000 from a group to which it should go as of right.

The contribution made by bookmakers operating in rural areas should be the same as the contribution by bookmakers in the metropolitan area. The Bill provides that in the metropolitan area there shall be a charge of 2 per cent on all moneys paid or payable to a bookmaker in respect of all bets on events held within the State, and on events outside the State an amount equivalent to 2·6 per cent is payable. The percentage for country meetings should be the same. The Bill provides for ·2 per cent less on amounts collected at country race meetings, but I suggest it should be the same as for metropolitan meetings; in turn, that extra ·2 per cent should be passed on to the country clubs involved.

I have been asked by the country clubs to take up these matters. I will admit, however, that I am somewhat out of my field; I do not profess to be an expert on the racing industry, but I know the hard work and keen interest many people in the smaller country districts put into their local racing clubs. The club in my own home town is going ahead in leaps and bounds, and I think that club, together with two adjoining clubs that receive no assistance whatever from this $58 000 promotional stake money, should be given consideration in future. I think, too, that from the funds collected by the racing fraternity at these various meetings to help country racing there should be a formula (I hope the Chief Secretary will take up this matter) under which the help given from these moneys available to country clubs should reach at least 50c in the dollar on stake money provided by those clubs, meaning in effect that the clubs that will help themselves will get most benefit.

It is only fair that they should have equal treatment in this respect. I understand that the money involved in doing this could be quite readily raised by the measures proposed. The Hon. Mr. Burdett has placed some amendments on file, and I can say now that I support the principle outlined in those amendments, which would meet quite a number of the objections to the Bill itself. It does not do anything to help in the distribution of the $58 000, which comes from another source. I support the second reading.

The Hon. J. C. BURDETT (Southern): I, too, support the second reading. The Hon. Mr. Gilfillan said this was somewhat out of his field; if it is out of his field, it is very much more out of mine. It is apparent, on reading the Bill, the principal Act, and the information available in relation to country and metropolitan racing that the Bill in its present form would considerably disadvantage provincial racing clubs. This is in line with the kind of

legislation this Government has been introducing. It seems to have forgotten that some people actually live in the country, and that they even have certain rights.

It could well be that, if the Bill is passed in its present form, and if the trend continues, country racing clubs could be forced out of existence. This would be a tragedy, because racing provides employment in many country areas. Murray Bridge has several training stables that provide considerable employment for local people, while the meetings provide a genuine social outlet; they are really something in the country areas. It would be sad to see them go altogether. I think it is necessary to amend the Bill so that there is sufficient protection for provincial racing. The amendments I have placed on file are designed, first, to preserve the $10 000 mentioned by the Hon. Mr. Gilfillan to be distributed between country clubs, and also to preserve out of the amount payable to the board by way of commission on bets by bookmakers the same percentage for country clubs as for metropolitan clubs. Subject to those protections to ensure that country clubs get their fair share and are thus able to continue, I support the second reading of the Bill.

The Hon. A. M. WHYTE (Northern): I rise briefly to support the remarks of the two previous speakers and to say that I cannot understand why the city racing fraternity should be so short-sighted as not to realise the great importance to the industry of country racing. If it is phased out, as it may well be unless it is protected and receives some monetary assistance, as provided for by the Hon. Mr. Burdett's amendments, there is a real threat to the continuance of country racing. Already, the country clubs are struggling for suitable stake money to attract the type of horse it is necessary to keep in the country. Racehorses are not bred in the metropolitan area. Indeed, much of the revenue and stimulus to the industry derives from those people who take an interest in country racing and contribute to the breeding standards of horses in this State.

Racing is one of our biggest industries. It needs to be regulated and protected by Government measures so that it has an equal opportunity in all areas and with all clubs to get a fair return from the patronage of the public. The Hon. Mr. Burdett's amendments would at least retain the *status quo*. This Bill is an inroad into the somewhat meagre revenue now distributed to country clubs. It cannot be further eroded. I recommend that these amendments are fair and just and I hope they will be carried.

The Hon. A. F. KNEEBONE (Chief Secretary): I thank honourable members for the attention they have given to this Bill in the short time at their disposal. In reply to the Hon. Mr. Whyte, I am aware that horses are bred in the country and that the controlling authority will be aware that horses are not bred in the metropolitan area; they are bred outside it. For that reason, I believe that the controlling authority, on which country racing will be represented, will take that into consideration. The controlling authority (the South Australian Jockey Club), I think, incurred a loss of $58 000 on country racing; and I believe the loss on country racing was about $57 000 the year before. The Bill provides that the controlling authority shall look at the situation. Previously, $10 000 was contributed by the Betting Control Board to country racing. This Bill will take care of that. As regards the Hon. Mr. Gilfillan's comments and the Hon. Mr. Burdett's amendments, the difference in the percentage proposed to be taken from the bookmakers' turnover to bring it into line with that in the country area, as I understand it, is because of the extra cost involved in bookmakers getting to country meetings.

The Hon. A. M. Whyte: Under the zoning of bookmakers, which has been in operation for the last several years, this no longer applies.

The Hon. A. F. KNEEBONE: I do not know about that; I understand it is still current. Anyway, with those few comments, I thank honourable members for the way in which they have dealt with the Bill. These matters can be discussed further in Committee.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6—"Disposal of amount deducted from investments made with the board."

The Hon. J. C. BURDETT: I move:

To strike out new subsection (4) and insert the following new subsection:

(4) The controlling authority in relation to horse-racing (except trotting) shall, out of the moneys received by it under paragraph (*d*) of subsection (1) of this section, allocate at least ten thousand dollars in each year to country racing clubs.

I outlined the reasons for moving this amendment in my second reading speech, so I need not give them again. I assure the Chief Secretary that, despite what he says about country clubs being represented, they are very much in the minority and, despite the amounts of money they have in fact received, they are not satisfied that, under this Bill, they will be dealt with fairly. To an extent, they believe they are being squeezed out by the city clubs, particularly with the increase in mid-week racing in city clubs. They are satisfied with the present legislation. These amendments, as another speaker said, simply preserve the *status quo*, to see that they have the basic protection they had previously. True, they received $58 000, a figure entirely beyond the scope of the Bill or the Act, which they hope to have distributed. It is their wish to retain the minimum amount of $10 000 as moneys received under subsection (1).

The Hon. A. F. KNEEBONE (Chief Secretary): Before the preparation of this Bill, Cabinet appointed a subcommittee to discuss all these matters with the various sections of the racing industry—the bookmakers, the Totalizator Agency Board, the Betting Control Board, the S.A.J.C., various trotting clubs and other people. It tried to reach agreement on what could be done. Thereafter, agreement was reached and the Bill was prepared. Subsequently, country racing club representatives saw me again, as a result of which this provision was amended. Country racing clubs will have regard to payments made by the Betting Control Board prior to the commencement of this legislation. The $10 000 must be taken into consideration as well as the $58 000 that they received last year and any sum they received thereafter.

Under the amendment, these clubs would be allocated at least $10 000, whereas the figure is at present $58 000. This would mean that the controlling authority would receive only $10 000. The Government's provision would therefore give country racing clubs much more than they would receive under the Hon. Mr. Burdett's amendment. I therefore ask the Committee to reject the amendment, which will damage country and provincial racing cubs.

The Hon. J. C. BURDETT: The Government's amendment gives country racing clubs nothing. It merely provides that regard shall be had to payments paid to country racing clubs by the Betting Countrol Board prior to the commencement of this Bill. It does not say that they shall be the same, as much as or more than payments that have been made previously: it says merely that regard shall be had to these matters and nothing else. The provincial

racing clubs told the Minister that they wanted to retain the minimum of $10 000 which they had wanted previously.

The Hon. A. F. Kneebone: They said they wanted the $10 000 in addition to what they now get.

The Hon. J. C. BURDETT: They did not say that in the submission which they made to the Minister. They want the $10 000 and do not want it changed. This amendment merely seeks to do what they want: the $10 000 they had before, as a guarantee.

The Hon. A. F. Kneebone: Plus the $58 000.

The Hon. J. C. BURDETT: The additional sum is beyond statutory control. What they will receive is a matter of discretion. The amendment seeks to put into effect what the racing clubs put in the submission to the Minister.

The Hon. G. J. GILFILLAN: The figure was $57 000 or $58 000 a year or two ago. This has been continuing for some years as a voluntary contribution by Adelaide clubs.

The Hon. A. F. Kneebone: Do you think they might cut it out?

The Hon. G. J. GILFILLAN: The amendment provides that the controlling authority shall, out of the moneys received by it, allocate at least $10 000 each year to country racing clubs. Under the Act, the Minister has the discretion to direct where the money from these funds shall go. That is why I have referred to a *pro rata* payment of 50c for each $1 of stake money to help clubs that help themselves. The proportions are not written into the Statute but are left to the Minister's discretion.

The Hon. C. M. HILL: I would like to ask the mover of the amendment whether he agrees, in effect, that the amendment in the Bill could remain if the words "but such allocation must be in excess of $10 000" were added.

The Hon. A. F. Kneebone: The amendment says "at least", which is the same thing.

The Hon. C. M. HILL: It is not the same thing, as the controlling authority is bound under the Bill to take into account comparable payments made years before this change was made. However, under the Hon. Mr. Burdett's amendment there is no commitment to consider the situation that obtained previously. It seems to me that it could be dangerous, if the sum of $58 000 has been paid, to refer to only $10 000 without providing that the board must consider the previous situation.

The Hon. J. C. BURDETT: My amendment provides for at least $10 000. That is what the Act provides at present, and I am merely seeking to retain it. The provincial racing clubs want the $10 000 figure retained. This was the first charge; they were bound to get $10 000. After that has been paid, the remaining sum is distributed, and this distribution is left to the discretion of the South Australian Jockey Club. Metropolitan clubs, as well as country clubs, will get a portion of it. However, country clubs want a guarantee that, before the remainder is split up, they will get the $10 000, as they do now.

The Committee divided on the amendment:

Ayes (11)—The Hons. J. C. Burdett (teller), Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, F. J. Potter, Sir Arthur Rymill, V. G. Springett, C. R. Story, and A. M. Whyte.

Noes (7)—The Hons. D. H. L. Banfield, B. A. Chatterton, T. M. Casey, C. W. Creedon, C. M. Hill, A. F. Kneebone (teller), and A. J. Shard.

Majority of 4 for the Ayes.

Amendment thus carried.

The Committee divided on the clause as amended:

Ayes (11)—The Hons. J. C. Burdett (teller), Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, F. J. Potter, Sir Arthur Rymill, V. G. Springett, C. R. Story, and A. M. Whyte.

Noes (7)—The Hons. D. H. L. Banfield, B. A. Chatterton, T. M. Casey, C. W. Creedon, C. M. Hill, A. F. Kneebone (teller), and A. J. Shard.

Majority of 4 for the Ayes.

Clause as amended thus passed.

Clause 7—"Payment of commission on bets and returns."

The Hon. R. C. DeGARIS: This Bill has for only a short time been before honourable members, who have much work before them. Honourable members would therefore appreciate it if they could be given time to examine more thoroughly the effects of the Bill and of the amendments. I have been impressed by the arguments of the Hon. Mr. Gilfillan and the Hon. Mr. Burdett, but I can see by the Chief Secretary's comments that there may be deeper matters that the Committee should examine. I therefore ask whether the Chief Secretary is willing to report progress.

The Hon. A. F. KNEEBONE: I am very disappointed with the way in which this Bill is being dealt with. We worked for a long time to get agreement so that additional funds could be made available to promote the industry and put it on a viable basis. This has been done, and discussions have taken place up to the point of introducing the Bill.

The Hon. R. C. DeGaris: That argument does not impress me.

The Hon. A. F. KNEEBONE: Agreement was reached with the racing clubs that they would carry out their part of the bargain if the Government carried out its part of the bargain. If honourable members want to upset the whole agreement reached with the racing fraternity, that is all right—they can do it. I am willing to report progress to give honourable members an opportunity to look at the situation.

Progress reported; Committee to sit again.

EDUCATION ACT AMENDMENT BILL

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

The Hon. T. M. CASEY (Minister of Agriculture): I move:

That this Bill be now read a second time.

Its object is to implement an agreement that has been made by the Education Department and the South Australian Institute of Teachers regarding the reclassification of teachers occupying promotion positions. With the exception of the position of principal, class A, appointments to the new positions will be made from a promotion list or in accordance with section 53 of the principal Act.

This Bill deals with appointments to the position of principal, class A, and provides, in accordance with the agreement, for the establishment of a nominating committee whose function will be to make provisional recommendations to the Minister in relation to such appointments. The Institute of Teachers will nominate at least one member of the committee. The Bill further provides, in accordance with the said agreement, that a right of appeal shall arise only where the Minister declines to make an appointment in accordance with a provisional recommendation of the committee. As the reclassification proposals are to be implemented as from January 1, 1975, it is essential that this Bill be passed as a matter of urgency.

Clause 1 is formal. Clause 2 amends section 53 of the Act. Applications for positions governed by this section must be made, in accordance with the regulations, either to the Director-General or to the proposed new committee.

(Regulations have been drafted to provide that appointments to the position of principal, class A, shall be the subject of this new procedure.) The committee is given power to make a provisional recommendation that a particular applicant be appointed to such a position. New subsection (6) provides that an applicant shall have a right of appeal in respect of a provisional recommendation by the committee only in the situation where the Minister, acting upon the recommendation of the Director-General, declines to make the recommended appointment. New subsection (7) sets out the duties of the Appeal Board in respect of, first, an appeal against a provisional recommendation of the Director-General and, secondly, an appeal against a recommendation made by the Director-General to refuse an appointment provisionally recommended by the committee.

The Hon. F. J. POTTER (Central No. 2): I support the second reading of this Bill, which is really intended only to give legislative approval to a new adminstrative set-up in connection with Education Department appointments. As the Minister has said in his second reading explanation, it is intended to establish the position of principal Class A, and for a nominating committee to function in connection with recommendations made to the Minister on such appointments.

Because the new arrangement is a little different, there is provision in the Bill that a right of appeal against such appointments to such specialised positions shall arise only when the Minister declines to make an appointment in accordance with the committee's recommendations. The matter is purely administrative, and I see no reason to delay the Bill.

Bill read a second time and take through its remaining stages.

PRICES ACT AMENDMENT BILL

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

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That this Bill be now read a second time.

Honourable members will be aware that the principal Act, the Prices Act, 1948-1973, has for more than 25 years been, in effect, an "annual Act", in that it has required an amendment each year to keep it alive. In the last session of Parliament the Government introduced a Prices Act Amendment Bill designed to make the provisions of the Prices Act permanent. The Bill was amended in the Legislative Council and a conference resulted. In reporting the outcome of the conference to the House of Assembly on October 3, 1973, the Premier said:

The effect of this proposal is that the Legislative Council withdraws its proposal concerning the provision of regulation making in place of proclamation of declared goods and services but the Legislative Council has sought that there should be an annual review of the decisions of the Prices and Consumer Affairs Branch. The conference agreed that, as to the constitution of the branch and as to the investigatory powers of the Commissioner and his work relating to other consumer protection legislation, that should be permanent; and that, as there was difficulty about splitting the Bill to achieve that result, the managers would recommend to the Legislative Council that, on the introduction by the Government of a Bill to make permanent those features of the Prices Act, that be agreed to by the Legislative Council.

The Leader of the Opposition, who spoke after the Premier, said:

The Premier has given a clear assurance that eventually a division of the legislation will take place, if not this session then next session.

This Bill then has a single object, which is to provide the legislative framework within which Parliament can continue to consider, annually, the need for the continuance of the price fixing mechanism in the principal Act, untrammelled by considerations of matters dealing with consumer protection generally. The operative clause of the Bill sets out the method by which this end will be attained and is self-explanatory.

The Hon. R. A. GEDDES (Northern): I support the Bill in principle because, as the Minister said in his second reading explanation, it has been introduced as a result of a conference between managers for the two Houses in October, 1973, when the Government gave its word that those provisions of the principal Act that were traditionally reaffirmed by Parliament annually would continue to be so reviewed. Of course, the reason for the annual review is to enable Parliament to criticise and appraise the operation of the legislation. Parliament acts as a watchdog in connection with problems arising from the legislation.

Prices have been controlled in South Australia since 1948. Traditionally, the correctly oriented, conservative members of the Liberal Party have not agreed with the concept of price control. Surely the need for most aspects of price control is becoming more redundant as the years go by, because of the actions of the Commonwealth Government, with its Prices Justification Tribunal combined with the Commonwealth Restrictive Trade Practices Act. It must be remembered that price control is no longer the control of prices: it is the control of profits and the profitability of public companies. There are instances where, because of the continuity of the principal Act, the Government has acted foolishly; for example, medical practitioners' fees were brought under the control of the Commissioner for Prices and Consumer Affairs. There is an anomaly in this connection, because the legal profession has been able to increase its fees without those fees being considered by the Commissioner. In cases such as this, the Government has acted capriciously, making the Commissioner suit the political whim of the day.

It has come to the notice of some honourable members that a South Australian company, vital to the building industry, has been denied a reasonable price increase by the Commissioner for the goods it produces. The company has many shareholders, many assets and liabilities. Of course, it is necessary for the company to receive a reasonable return on its products, because of the high capital cost of obtaining the raw materials. Nevertheless, its application for a price increase was refused by the Commissioner for Prices and Consumer Affairs. To enable it to continue in operation, the company had to take over other industries whose prices were not under the control of the Commissioner, so that it could make a profit from some operations and thereby produce its major product, which is vital to the building industry of South Australia.

Unfortunately, there is no appeal against a decision of the Commissioner. I have discussed at length with the Parliamentary Counsel the need for an appeal under the legislation, but he says that there is no possible way: once the Commissioner has made a decision, it is final. The Government should consider this point. In these days of changing monetary values, changing capital structures, and changing profitability, I am sure there is a vital need for changing the concept of price control and the administration of the principal Act. I therefore ask the Government to review the legislation while it is planning Bills for the next session, with all its pomp and glamour and with all the Government statements about what it will do for the people of the State. I point out that the legislation can

result in hardship for industry, and therefore the price of the essential product to which I have referred should be set at a profitable level.

There have been many anomalies in connection with the Commonwealth Prices Justification Tribunal and the Commonwealth Restrictive Trade Practices Act. For many years the Commissioner for Prices and Consumer Affairs has been setting the prices for groups of firms that have been providing the same type of material; for example, an association of timber merchants, comprising about 90 per cent of the trade, has for about 20 years been selling timber at prices set by the Commissioner, and the building trade and the people of South Australia have benefited from this type of control. The Commissioner has reviewed and adjusted the price of timber periodically as he has seen fit. However, the wording of the Commonwealth Restrictive Trade Practices Act is so absurd that these firms are fearful of the word "collusion". So, the association of timber merchants has had to disband. This will lead to a different form of competition and a price increase, because they will no longer be under a watchful eye in the same way as they were prior to 1974.

Clause 2 amends section 53 of the principal Act. Paragraph (*a*) gives the Commissioner for Prices and Consumer Affairs control for another 12 months in connection with declaring goods and services, determining maximum prices, determining the minimum prices of grapes, and determining the minimum prices of liquor and the maximum rates that those organisations under the ambit of the Prices Commissioner can charge. So again for the next 12 months power is given through the Government to the Commissioner to do all these things. The matter will come up again for review by December next year. I hope the Government will seriously consider the need for an opportunity to be given to industry to appeal when it believes it has been treated harshly, bearing in mind the need for profitability of industry today when we have a situation involving a total lack of liquidity, which has never previously applied in the history of South Australia since it became an industrial-type State. I support the second reading.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"Cessation of effect of certain provisions."

The Hon. R. C. DeGARIS (Leader of the Opposition): This is the operative clause of the Bill. The arrangement in this Bill came about from a conference last year between the two Houses. The second reading explanation contains a statement made by the Premier in reporting on that conference. He stated:

The effect of this proposal is that the Legislative Council withdraws its proposal concerning the provision of regulation making in place of proclamation of declared goods and services but the Legislative Council has sought that there should be an annual review of the decisions of the Prices and Consumer Affairs Branch. The conference agreed that, as to the constitution of the branch and as to the investigatory powers of the Commissioner and his work relating to other consumer protection legislation, that should be permanent, and that, as there was difficulty about splitting the Bill to achieve that result, the managers would recommend to the Legislative Council that, on the introduction by the Government of a Bill to make permanent those features of the Prices Act, that be agreed to by the Legislative Council.

I am certain that what the Council did then was right and that the Government is now legislating in that regard. I should like to express a further view. In relation to the Commissioner for Prices and Consumer Affairs, there should exist an appeal to some tribunal for the person who makes application to the Commissioner for a price increase. That appeal should be open to the public and it should be fully reported. It would work along the lines of the Prices Justification Tribunal, and where a manufacturer or producer was dissatisfied with the determination of the Commissioner there should be some way in which an examination could be made, and that examination should be open to the public.

I know the Hon. Mr. Geddes has done a great deal of work on this Bill trying to find a way of amending the principal Act along these lines. However, as the principal Act is designed, it is not capable of such amendment. I commend to the Government the idea of examining this approach to price fixing in this State so that, if a person feels that the Commissioner is wrong, an appeal can be lodged and the hearing of such appeal will be open to the public and reported. In that way, everyone would know the exact position. I support fully the views expressed by the Hon. Mr. Geddes, and I am sorry the principal Act is not capable of amendment along these lines. It would mean a complete redrafting of the principal Act, but I commend that approach to the Government.

Clause passed.

Title passed.

Bill read a third time and passed.

PARLIAMENTARY SALARIES AND ALLOWANCES ACT AMENDMENT BILL

The following recommendations of the conference were reported to the Council:

1. That the Legislative Council do not insist on its suggested amendments Nos. 1 and 6.

2. That the House of Assembly do not insist on its consequential amendment but make the following amendment to amendment No. 3 of the Legislative Council:

by adding at the end of proposed new subclause (5a) the words:

"and in making a determination provided for by this subsection the tribunal shall—

(*a*) pay regard to such matters contained in this Act and any other matters as, in its opinion, are relevant to the basis of representation of members of the Legislative Council that will obtain after that election; and

(*b*) disregard any matters contained in this Act as are, in its opinion, not so relevant;

and the tribunal shall publish its reasons for having regard to or, as the case requires, disregarding any such matters."

and that the Legislative Council agree thereto.

Later:

The House of Assembly intimated that it had agreed to the recommendations of the conference.

Consideration in Committee of the recommendations of the conference.

The Hon. D. H. L. BANFIELD (Minister of Health): I move:

That the recommendations of the conference be agreed to.

I compliment the Council's managers, who sat in conference with the House of Assembly's managers. The conference fortified my belief that it is a good thing, if there are differences between the two Houses, for us to go into conference and discuss those differences. The discussions that took place at the conference were fruitful. The conference was conducted under a good Chairman, and we were able to find a satisfactory solution to the problems involved, culminating in the recomendations to which I have referred. I will leave it to learned counsel to explain the recommendations of the conference.

The Hon. F. J. POTTER: I support the motion. I should hardly think the amendments that have been agreed

to require any great explanation, as they are self-explanatory. The tribunal will be given an opportunity to consider the relevant factors when it comes to making a decision on the new situation that will obtain after the next election. There are certain aspects in the Bill that the tribunal will take into consideration, as well as others that it will disregard. As this is really a machinery measure, I support the motion.

The Hon. A. J. SHARD: I, too, support the motion. I take this opportunity of expressing my appreciation to the Hon. Mr. DeGaris and the Hon. Mr. Potter, both of whom did much work over many weeks on this worrying subject. It is not easy for one to deal with a topic such as Parliamentary salaries, because, no matter how good legislation relating to them may be, they are always misjudged by the public.

The whole purpose of this morning's conference was to try to reach a solution so that this worthwhile Bill could be saved and not thrown overboard. From my industrial experience, I think the ball is in the right court: the tribunal should have this responsibility. Members who are affected can put their position fearlessly and without pulling any punches. In this way, the tribunal can be given evidence on which to make judgments. If honourable members do not do this, it is their own fault.

I am pleased that this Bill is being passed. I am nearing the end of my career and, in most of the jobs I have had, I have left for the person who has followed me something better than I have enjoyed. As a result of the tribunal's future deliberations, the new members who will enter this place in 1976 will be much better off and, indeed, will be able to enjoy more satisfactory conditions than I enjoyed when I first became a member.

Motion carried.

NATURAL GAS PIPELINES AUTHORITY ACT AMENDMENT BILL

In Committee.

(Continued from November 26. Page 2195.)

The Hon. A. F. KNEEBONE (Chief Secretary): The Select Committee that took evidence on this Bill met nine times and placed advertisements in the *Advertiser*, the *News* and the *Sunday Mail*. The committee examined the following witnesses: Mr. R. J. Daugherty, Parliamentary Counsel; Mr. R. Wagstaff (General Manager) and Mr. Bruce Macklin (Chairman), South Australian Gas Company; Sir Norman Young, Chairman, Natural Gas Pipelines Authority; the Hon. D. J. Hopgood, M.P., Minister of Development and Mines; Mr. L. E. Stellingwerff, Cost and Operations Manager, Esso Australia Ltd.; Mr. P. C. Frederick, State Manager, Esso Australia Ltd.; Mr. A. J. Cannon, solicitor, Thomson, Wilkinson, Simmons and Co.; Mr. J. Day, Chairman's representative in S.A. and N.T., the Shell Company of Australia Ltd.; Mr. J. P. Callaghan, solicitor; Mr. W. J. Sundermann, General Manager, Petroleum Refineries (Aust.) Pty. Ltd., Port Stanvac; Mr. R. P. Ffrench, Branch Resale Manager, South Australia, Mobil Oil Australia Ltd.; Mr. J. A. Roberts, Manager for S.A. and N.T., B.P. Australia Ltd.; Mr. J. Snewin, solicitor, Baker, McEwin and Co.; and Mr. C. Branson, General Manager, South Australian Chamber of Commerce and Industry Incorporated. The committee then recommended that the Bill be passed with the following amendments:

After clause 8, page 3, insert the following new clause—

8a. The following section is enacted and inserted in the principal Act immediately after section 10 thereof:

10a. Nothing in this Act shall be held or construed as authorising or empowering the Authority to carry on the business of a petroleum refinery.

Clause 9, page 3, lines 36 to 38—Leave out all words after the word "out" in line 36 and insert in lieu thereof the following:

"subsection (1) and inserting in lieu thereof the following subsection:

(1) With the approval of the Governor the Authority may, either by agreement or compulsorily, acquire or take land for the purpose of constructing a pipeline or petroleum storage facilities connected to or to be connected with a pipeline and for purposes incidental thereto."

The committee members worked hard to reach agreement, and I commend the committee's report to honourable members.

The Hon. G. J. GILFILLAN: I urge honourable members to accept the committee's recommendations, which will protect the existing installations. Some honourable members to accept the committee's recommendations, which will compulsory acquisition in the original Bill. The Select Committee has upheld the concern expressed by honourable members that, if section 10 of the principal Act were amended by striking out "natural gas" and inserting "petroleum", the provision would be very wide. If the committee's recommendations are adopted, the authority's power to acquire land will be confined to acquiring land required for the purpose of constructing a pipeline or petroleum storage facilities in connection with the pipeline. So, the power will not be applied as widely as it would have been if the committee had not made its recommendation.

Clauses 1 to 8 passed.

New clause 8a—"Enactment of section 10a of principal Act."

The Hon. A. F. KNEEBONE: I move to insert the following new clause:

8a. The following section is enacted and inserted in the principal Act immediately after section 10 thereof:

10a. Nothing in this Act shall be held or construed as authorising or empowering the Authority to carry on the business of a petroleum refinery.

As a result of discussions with the various people concerned, particularly the Minister of Development and Mines and Sir Norman Young, it was agreed that it was not intended that the Natural Gas Pipelines Authority should carry on the business of a petroleum refinery. The Select Committee therefore recommended the insertion of this new clause.

New clause inserted.

Clause 9—"Power of authority to acquire land."

The Hon. A. F. KNEEBONE: I move:

To strike out all words after "out" and insert: "subsection (1) and inserting in lieu thereof the following subsection:

(1) With the approval of the Governor the Authority may, either by agreement or compulsorily, acquire or take land for the purpose of constructing a pipeline or petroleum storage facilities connected to or to be connected with a pipeline and for purposes incidental thereto."

It was decided by the Select Committee that the compulsory acquisition powers in the Bill went further than was really intended. This was confirmed after discussions with the Minister of Development and Mines and Sir Norman Young. The Select Committee has therefore recommended this amendment to honourable members.

Amendment carried; clause as amended passed.

Remaining clauses (10 to 12) and title passed.

Bill reported with amendments. Committee's report adopted.

The Hon. A. F. KNEEBONE (Chief Secretary) moved:

That this Bill be now read a third time.

The Hon. R. C. DeGARIS (Leader of the Opposition): I thank the Chairman of the Select Committee for the way he handled the matter in Committee. There was no disagreement among members of the Committee to any of the points

raised. It is rather strange that even the Minister from another place who gave evidence to that Committee agreed with every contention raised by the Select Committee in respect of where it wanted to go with the Bill. This emphasises that when people get together to consider legislation an easy solution can always be obtained. I was pleased with the way the Select Committee operated, and I believe that we now have a satisfactory Bill dealing with the important matter of the construction of a pipeline in South Australia.

Bill read a third time and passed.

Later:

The House of Assembly intimated that it had agreed to the Legislative Council's amendments.

BUSINESS FRANCHISE (PETROLEUM) BILL

Adjourned debate on second reading.

(Continued from November 26. Page 2217.)

The Hon. J. C. BURDETT (Southern): I rise to speak to the second reading with mixed feelings. On the one hand, I am loath to oppose a revenue-raising measure of the Government. On the other hand, I very much regret that it has been necessary to introduce this most unpopular tax. I say it is an unpopular tax because, in moving around my district, I have recently been constantly bombarded with objections to this tax and requests from people to sign petitions against it. The tax has been necessary because the Government has got into financial difficulty in meeting its commitments. This has been largely brought about by the financial policies and management of the Commonwealth Government and the State Government.

Members on this side have repeatedly requested the Government to restrict its expenditure, but it has not done so. In fact, in this morning's *Advertiser* I read of a $200 000 non-repayable grant that will be made to the Trades Hall by the Government. It worries me to see the Government having to resort to a new form of indirect taxation to meet new expenditure, apparently only recently decided, such as this expenditure to which I have just referred. It seems that even after the Government had decided to apply this petrol tax it decided on this massive hand-out to the Trades Hall.

I find it somewhat anomalous that, at a stage when the Government is opposing in the proper way in the courts a salary increase to police officers, it plans to make this $200 000 hand-out to the Trades Hall. I ask that in his reply the Minister say whether the Government has made every effort to use all the funds available to it before imposing this tax. Specifically, has the South Australian Government used all of its allocation of grant moneys available from the Commonwealth Government? I should like answers to these questions before I am asked to vote on this Bill.

It is worth mentioning that this tax comes so close to being an excise tax that it does not matter. I have no doubt that the Government's advisers have carefully considered this aspect of the Bill. However, I am sure that if the Bill passes it will be challenged in the courts and, if the Bill comes through unscathed, I should think that the Solicitor-General would qualify as the first recipient of the Companion of the Company of Merit.

The Hon. R. C. DeGaris: Which bracket?

The Hon. J. C. BURDETT: The top bracket; I think Companion of the Order comes first.

The Hon. R. A. Geddes: Would it not be better to tar and feather him?

The Hon. J. C. BURDETT: It depends on the way one looks at it. The Government has said that it regrets having had to introduce this Bill. It has said that because of the present urgent situation it has been necessary to introduce this tax. I have thought about this matter to a considerable extent and I have not made up my mind about how I will vote on the Bill. However, if it is to be passed, I am sure that a concluding date should be written into it.

Stress has been laid by the Government on the urgency of this measure and on the need for raising funds for the remainder of this financial year. I believe that, if the Council passes the second reading, an expiry date should be included in the legislation. The date provided in the Bill after which it shall be unlawful to carry on business without a licence is March 24, 1975. It is my present view, subject to what I hear from other honourable members, that June 24, 1975, would not be too early a date for the expiry of the Bill. This would allow the Government the revenue it is relying on for the remainder of this financial year, it would allow the Government to prune its expenditure, which it has not yet done, and it would allow it to insist on proper financial payments from the Commonwealth Government.

This suggestion would enable Parliament to extend the period. I will listen with interest to what other honourable members have to say. However, my present view is that, if this Bill passes the second reading, a fairly short-term stopper should be put on it. As I have said, this Bill provides for yet another form of indirect taxation. Such taxation is always, to some extent, objectionable. There is always some measure of injustice, and those people (including perhaps members of Parliament) who buy large quantities of petrol in the course of their avocation will bear the brunt of this tax. Those people who do not have to buy large quantities of petrol (and, unlike members of Parliament, they may be among the wealthy section of the community) will not suffer so much from this tax.

The Hon. R. C. DeGaris: The electorate allowance for country members might be increased.

The Hon. J. C. BURDETT: I doubt it.

The Hon. T. M. Casey: Can you ride a horse?

The Hon. J. C. BURDETT: Yes, I like riding horses, but it is a long distance to ride a horse from Mannum, and there is no hitching rail outside Parliament House. A Bill for a tax on cigarettes and tobacco has been introduced into this Council today. That is another indirect tax, but it is much less objectionable; people who do not want to pay the tax do not have to smoke, and I think certain members in this Chamber could well give up the filthy habit! In the case of petrol, however, people do not have the same choice. Many must buy petrol to make their living. This tax will be most unfair in its application. I shall listen with interest to the rest of the debate, and I shall reserve my opinion on how I will vote until I have heard it.

The Hon. R. C. DeGARIS (Leader of the Opposition): I support the views expressed by the Hon. Mr. Burdett, who opened this debate. I also remind the Council that I have spoken at some length on the financial position in which this State finds itself (or in which the Treasury finds itself). I have also spoken on the political manoeuvring of the Treasurer, who places the blame for this financial position on everyone's shoulders but his own. This has been the mark of his political activities over many years: it is either the Legislative Council blocking progress or it is his friends in Canberra, whether they be Liberal or Labor.

I do not want to go back over that history but honourable members in this Chamber over some years have continually drawn to the attention of the Council the position we would reach if the policies advocated by this Government were put into operation; no-one can deny that. We can go back through the debates for as long as we like, and constantly we have drawn attention to the

fact that this State would find itself in a serious financial position, more serious than that of the other States, if the financial policies of this Government were followed. No great blame can be attached to this Council for blocking legislation or being unreasonable in its approach to the financial measures of the Government. When we have stood firm on certain matters, we have done so on the basis of the principle that either the Bill did not do what the second reading explanation said it did or there were very strong grounds for defeating the Bill on other issues.

I could refer, for instance, to succession duties, where the attitude of this Council was absolutely correct, and has been proved correct with the passage of time. Secondly, there is the attitude we took on stamp duties two or three years ago. When this Council took the trouble to amend the Bill, it was roundly abused by the Treasurer who, in his second reading explanation of the Bill, said that the Bill would raise $4 150 000; we said it would produce about $6 150 000 and we thought we had taken about $2 000 000 off it. But in the Treasury document we see that in that year the Government got almost $6 000 000 in increased stamp duties. All through, this Council has warned the Government that this State must compete with the other States and must be able to manufacture and export to the Eastern States at a price less than that at which the Eastern States can produce; otherwise, this State is no longer viable.

Over the last two or three years, although we have not heard about it for some time, in the case of every financial Bill that has been introduced where there has been an increase in taxation, the Government has said, "This will bring this State up to the level of taxation in the other States." In practically every part of the taxation field we are now ahead of the other States, and I do not care whether we look at stamp duties on motor vehicles, stamp duties on life assurance policies, stamp duties on ordinary insurance policies, stamp duties on conveyancing or stamp duties on other matters I have mentioned. Now we are moving into the field of petrol tax.

As far as I know, Victoria may or may not move in this field; we know that New South Wales has and is having great difficulty in implementing that measure; but, if we went through the taxation field in this State, we would find that per capita this State was no longer the lowest taxed State in the Commonwealth but that it was getting close to being the leader in this field, if not already the leader. The blame for this must rest just as surely on the shoulders of the present Treasurer as on the shoulders of any of his Commonwealth colleagues whom he is at present blaming. The efforts that the present Treasurer is making to prevent unnecessary and uneconomic expenditures are ludicrous. One picks up a newspaper one day and reads of a magnificent gesture where the Treasurer will save a few hundred dollars by banning Christmas parties; and the next day we learn that we are spending millions of dollars on Parliament House or the Trades Hall. If there is anything more ludicrous than that, I should like to know it.

We know that, if this State does not cut its expenditure, the increases in taxation will place it in a position where it can no longer compete with the other States. I have claimed that I believe this State is at present the most heavily taxed State in the Commonwealth. I do not know whether I can substantiate that claim but I can substantiate this, that the escalation in the rate of tax a head of population in this State over the last three years has been the greatest in any part of the Commonwealth.

Let me return to the Budget, of which I have complained bitterly in this Chamber. The Treasurer, in his usual emotional fashion, stands before the people of this State and says, "There will be no increase in taxation." Just before the introduction of the Budget, we had huge increases in taxation, and the Treasurer knew, when that Budget was introduced, that this State would suffer further savage increases in taxation. I claimed that the Budget as it entered this Chamber was a $40 000 000 deficit Budget, and I believe I was laughed at. Now the Treasurer is talking in terms of a $36 000 000 deficit, four weeks after he made that speech!

Any reasonable analyst of that Budget document would say that it shows I am right in what I say, that the Budget presented to this Council was a misleading document, in which the unprecedented step had been taken of including in the receipts part of the Budget a sum of $6 000 000 on a verbal promise from the Prime Minister, something that had never been done before. The Budget explanation in this Council was a different speech, three weeks after the Budget's introduction in another place. Backed by a highly skilled press team, paid for by the taxpayer, the Treasurer has been able to convince the electors of this State that no blame is attachable to this Government or to him as Treasurer. Is there any discredit to the Government in presenting to Parliament a Budget document that was grossly misleading for the year 1974-75?

Let me turn to another matter. The Treasurer over the years (honourable members here will recall this) has been constantly critical of State Governments introducing inflationary and regressive taxation. Having been in a Government and been a Minister, I well recall the comments made by the present Treasurer when the Government of which I was a member faced a critical financial situation in this State, with the biggest deficit in its history. We had to find ways out of that difficulty and we found them, only to be criticised for introducing so-called regressive taxation measures. It is difficult to find a taxation measure more inflationary and more regressive (I suppose I could use the word "aggressive", too) than a tax upon petrol and petroleum products in this State.

Two years ago, "regressive taxation" were favourite words of the present Treasurer. They were a tag he used to attach to any State taxation. Has he forgotten those words? Can he tell me that this tax on petrol is not regressive or is not inflationary? I could not find a more aggressive or inflationary type of taxation than this if I tried. How does this tax fit in with his previous statements on regressive taxation and inflation?

I pose this question to the Government: what rise in costs will occur in South Australia as a direct result of this tax? I have tried to do some work on this matter and to see what effect it will have on transport and costs. I do not know whether I am right or wrong, because I have not had time to study it fully. However, I think the increase in costs in South Australia attributable directly to this tax will be about 2 per cent. We in South Australia have already been the pace-setters in relation to escalating costs. If one looks back over the past two years, one will see almost constantly that the rise in the cost of living in South Australia has been the highest, or close to the highest, of any State in the Commonwealth. This tax will add further to that cost escalation.

There has been a strong revolt (and I can use that word, as I have attended certain meetings where people have been talking about this matter), as well as an intense feeling, in country areas regarding this measure. Although I am not being critical of city people, I know that on questions like this country people are far more aware of the effects of these measures on them than are city people. These matters affect country people to a deeper degree than they

do city people. However, once the housewife in Adelaide realises how much extra this Bill, if it passes, will add to her everyday costs, the revolt and the intense feeling which I have found to exist in country areas and to which I have already referred will be seen just as strongly in the metropolitan area of Adelaide.

I ask the Government to bear in mind the impact that this type of taxation will have on South Australia's transport costs. If one examines this matter, one will see that, except possibly for Western Australia, South Australia is the State that is most affected by the cost of transport. If one considers that, as a manufacturing State, we must compete with the eastern seaboard, one will realise that transport costs possibly affect South Australia more greatly than they do Western Australia. I ask the Government whether it realises the effect that this taxation will have on transport costs in South Australia, where goods must be dragged from the West Coast, the South-East and the Far North.

I have had a quick look at the costs of transport of many items, and I have come up with a rise of about 2 per cent in overall costs in South Australia. I would not be at all surprised if my figure was conservative. I ask the Government whether it is serious with this measure or whether it is merely trying to fashion a political stick with which it can beat its Commonwealth brothers of recent times? Is it trying to fashion a lever to try to obtain more money from the Commonwealth Government? If more money does come from the Commonwealth Government, the Treasurer possibly will not proceed to implement this Bill. Then, everyone will shake the Treasurer by the hand as a master genius who got more money out of the Commonwealth Government.

In other words, he is saying to the people of this State, "Get on your feet and help me to force Canberra to help this State." However, it has been reported to me by a source of information that is usually fairly reliable that the Grants Commission already has money (and a substantial sum at that) available for South Australia. I notice that the Hon. Mr. Burdett, too, posed this question to the Government. I have been told that this money has not been called on by the State. Although I do not know whether this is true, I should like the Government, over the dinner adjournment, to clarify this matter.

While those thoughts are in the Chief Secretary's mind, I should like to say before I seek leave to conclude my remarks that I agree with what the Hon. Mr. Burdett has said. If this Bill passes, a time limit should be set on its operation. I should like next to ask the Government whether it would consider leaving this Bill on the Notice Paper until February, when it could be discussed in greater detail and so that the people of this State could be given a greater opportunity to express their views. I know that meetings have been organised in many parts of the State to discuss this Bill and, indeed, that the public wants to express its views on it. I think the public should have that right and, although I support what the Hon. Mr. Burdett has said, I ask the Government to consider allowing this Bill to flow over, thereby enabling it to be discussed again in February. I seek leave to conclude my remarks.

Leave granted; debate adjourned.

Later:

The Hon. R. C. DeGARIS: I think honourable members will have quite clearly in their minds what I said earlier. I reiterate that I am suspicious of the acting abilities at a political level of the Premier and Treasurer. I am suspicious because, in the presentation of the Budget this year, the Treasurer obviously knew that the information contained in that Budget was inaccurate. I believe he pulled the wool scientifically over the eyes of the electorate in South Australia, knowing full well that, in the next few weeks following the presentation of that Budget, there would be savage tax inflictions on the South Australian public.

I believe (and I follow the Hon. John Burdett in this matter) that the first thing the Government should be doing at present is cutting down on its unproductive expenditure and what one may term its non-public expenditure, as well as seeking to improve the efficiency of existing expenditure. Already, the Hon. John Burdett has drawn attention to the grant to the Trades Hall in South Australia. How can that be justified in the present financial situation? I freely admit that I made a donation to the new Trades Hall, and I would say that, if every trade unionist had donated a similar amount (or half of it), there would have been no financial trouble there. In this area of expenditure this Government should be turning its attention at present not to looking to fleece the public by imposing regressive and inflationary types of taxation. I do not know that the Government will ever implement this measure (I have a strong feeling that it is in a massive smoke-screen) but this Council is not in a position to tamper with a financial measure because there are restrictions in these matters on this Council where the Constitution Act is concerned.

This State has increased its expenditure by 100 per cent in two Budgets. If one analyses the effect of that sort of expenditure on this State, one finds that the State expenditure is expanding at maybe two or three times the pace of the rest of the community's ability to expand its expenditure, and this can have only one effect—to drag more and more on the private sector that provides all the drive and force behind any State's economy. I quoted these figures in the Budget speech, that the Budget expenditure of this State had increased by 100 per cent in two Budgets, and I was challenged on that figure by (I think it was) the Minister of Agriculture, who said that his figure was 65 per cent. Whether the Minister is right or I am right, I will take his figure and deal with an expansion of 65 per cent in expenditure in two Budgets.

This means an annual expansion of budgetary expenditure in this State of 30 per cent, which means that we are drawing upon the private sector and private people for the ability to meet that expenditure. An expansion in budgetary items in this State of about 17 per cent would be the maximum the State could sustain if it was to maintain viability in the free enterprise part of our economy. I do not believe the Government is making a strong enough effort to cut expenditure. In this, one may say we may create unemployment. That is the very point we have made to the Government time and time again that, if we expand our expenditure to the point where the private sector can no longer be taxed any more and gives up the ghost, the only thing that can happen then is a massive down-turn in employment and a massive rise in inflation. Those two factors are going hand in hand in Australia, and particularly in South Australia.

If we analyse the figures, we find that South Australia's position is the worst position of any State in Australia. I have spoken about supporting the Hon. Mr. Burdett in a terminating date and about asking for deferment of this legislation until February of next year, when Parliament will reconvene. If the Treasurer wants to use this measure as a lever, the Bill will still be before Parliament and he

can still use the lever on the Prime Minister; but to inflict it now will place a tremendous burden upon the people of this State compared with people in other States.

I should like to touch on one or two other matters while I am on this Bill. I believe the States must move into the area of taxation more at the consumer level. I do not apologise for saying that, because time and time again in this Council I have dealt with the question whether in this State, in local government, State Government or Commonwealth Government, the taxation system is based too heavily on a capital taxation. I will begin with local government, which draws the main part of its revenue from a tax upon the value of the capital owned by the ratepayer, whether it be a house, a property, or anything else. So local government is financed largely not by an ability to pay but by a tax on capital. At the State level, there are land tax, succession duties and a series of stamp duties which, once again, are purely a capital tax. At the Commonwealth Government level, there are death duties and there is being introduced a capital gains tax, one of the most ridiculous taxes ever imposed upon the people of Australia. So right through the whole range there is a concentration of our taxation system upon the person who happens to own something.

If this goes on, we shall completely kill initiative in the whole of our Australian economy, and particularly in this State. Therefore, the State must turn more and more to the idea of a consumer type of tax. Hand in hand with the imposition of a consumer type of tax there must be a reduction of capital taxation. Let me give an illustration. I had a letter from a woman who has inherited a dairy farm of 74 hectares near Victor Harbor. It is outside the metropolitan area and she cannot subdivide it. It was left to her by her father. The property has been assessed for probate at six figures or more. It has been assessed by the Land Tax Department, and on that property the increase in land tax is from $51 a year to $580 a year. Council rates are rising, because of the new valuation, from a very small figure to $700 or $800 a year. The net income, without those taxes on that dairy property, is $1 259 a year. This is a classic example of a person who wants to go on dairy farming but is now forced to vacate that field because death duties, land tax and council rates are pushing her off that property. This is largely because someone took an option on a property for a casino at Victor Harbor (which will not eventuate) and the death duties on this property have been influenced by the decision to take an option on that property. If we are to maintain a viable private enterprise economy in this State, this State and the Commonwealth must look closely at the whole matter of the imposition of a capital type of taxation not based on any ability to pay.

When we come to consumer taxation, the very article we are hitting, petrol, is tied up with the whole transport system. This is the most regressive and inflationary type of taxation that can be imposed at the consumer level. I do not object to a consumer type of taxation on tobacco, about which I shall have something to say a little later, but, if we are to maintain a viable private enterprise economy capable of financing a Government, we must look closely at relieving the pressure on the capital type of taxation. If this Bill was coming in with another Bill alongside it to ease the pressure of death duties or land tax, there might be some sense in it, but bringing it in on top of the existing high level of taxation in this State is sheer stupidity.

Next, has the Government considered that the large petrol companies will have to go to the Prices Justification Tribunal for an increase in the price of their product before this Bill comes into operation? The Commissioner for Prices and Consumer Affairs in South Australia can handle this matter for the small retailer but, when it comes to the large proprietary companies or the large national companies, they will have to go to the Prices Justification Tribunal before they can get an increase in their price to cater for this licensing scheme and the tax on the products they sell.

Now I come to the retailer. Although he does not have to go to the Prices Justification Tribunal, he must go to the Commissioner for Prices and Consumer Affairs. This point will be expanded on a little more fully in Committee. I could refer to other matters which are of a major nature but which, as far as as this Bill is concerned, will be dealt with in Committee. I know that amendments have been placed on file.

We have heard much in the last few days about privacy, and we have seen the Government introduce a Bill with an approach that I considered to be wrong. I have tried to do the best possible by introducing another Bill which is a basis for attacking this problem and which has been recommended by two committees, one in England and one in America. However, the Government has completely rejected this.

In this Bill, the powers of inspectors in relation to invasion of a person's privacy have been taken to the nth degree. This has happened previously in relation to legislation of this type. If the Government examined this Bill in relation to the powers of its inspectors, it must agree that those powers go far beyond what is reasonable.

With those remarks, I indicate that I support the second reading. However, I strongly support the Hon. Mr. Burdett's suggestion regarding an expiry date for the legislation. Once again, I ask the Government whether it will defer this Bill until the February session before it is placed on South Australia's Statute Book. I firmly believe that this Bill has all the earmarks of a political gimmick.

The Hon. G. J. GILFILLAN (Northern): I follow the Hon. Mr. Burdett and the Hon. Mr. DeGaris in speaking to this Bill. I believe we are in a sorry state even to consider legislation of this kind; the Government must have introduced it because of mounting debts, the slowing down of work, the prospect of heavy unemployment and because it is unable to meet its commitments. Generally, we are in a difficult situation. On the one hand, we have the State threatening the Commonwealth that it will bring into law legislation imposing a petrol tax if the Commonwealth Government does not make more money available to it and, on the other hand, we have the Commonwealth Government threatening to introduce a capital gains tax to enable it to meet its obligations.

The person who will be most affected is the taxpayer. In this case, he will pay, and pay dearly. Along with former speakers, I agree that this Bill is undoubtedly intended to be used as a threat against the Commonwealth Government. With the introduction of zones, different licence fees will be charged. Because of the proximity of certain areas to the borders of other States, in which this sort of legislation does not exist, the creation of zones will create anomalies and will react unfairly against people who live on one side of the border compared to those living on the other side of the border. This is unavoidable and will occur throughout a large part of the State.

These powers of exemption, or modification of the licence fee, should go further than has been explained. Certain people who operate in a small way as a service

to the community will be caught up in this matter and, indeed, will find that the licence fee payable and the paper work involved will put them out of business. Only a short time ago the Council considered the motor fuel distribution legislation, under which premises that sold fuel were licensed. As well as the many other things for which a garage proprietor must pay, he was forced to pay a $50 annual licence fee for his premises. Under this Bill, he will pay even more to be licensed to sell from his previously licensed premises. On top of that, he will pay 10 per cent in advance of his estimated annual turnover. That sum must be paid quarterly in advance and will be based on previous sales.

Of course, one's sales could vary considerably. In certain circumstances, a person's licence fee may be worked out on figures relating to a prosperous time when much fuel was sold. Thereafter, a garage proprietor could have a median strip built outside his premises, which would make it difficult for one stream of traffic to enter his premises, as a result of which those drivers would by-pass him. In other cases, the closure of a road could affect a person's sales. To base a licence fee on the gallonage sold over the previous 12 months (which fee will be payable in advance), could lead to anomalies.

I agree wholeheartedly with the proposition that the legislation should have a terminating date. I would even go so far as to suggest that September 24, 1975, would be a suitable date, as licensing comes into effect on March 24, and the fees would be payable in advance each quarter thereafter. This would be in the quarter of the year that followed the introduction of State and Commonwealth Budgets, and would give the Government (because Parliament would be in session at that time) plenty of time to extend the legislation, if that was considered necessary.

We must have a terminating date if this legislation goes on the Statute Book as a lever and a threat to the Commonwealth Government to provide extra funds. If those funds are provided, we shall not want the Act to remain on the Statute Book. If the Act was being used, it would be a minor matter, if Parliament was sitting at the time, to renew the legislation at only short notice.

This is one of the most crucial things at which we must look from the point of view of a second Chamber. The Council is proud of the fact that it does not unduly hamper the Government: it merely tries to contain legislation within what is a reasonable and fair approach to the way it affects the community generally. A terminating date will in no way affect the Bill's financial provisions. I could refer to many disadvantages that will flow to all sections of the community as a result of this legislation. Indeed, I believe it will put the operators of many small service stations out of business altogether. I believe, too, that it will result in the closure of a number of small pumps that are installed for the convenience of customers of a small country general store. It will also lead to a tremendous flow-on in the cost of living. It is impossible to think of any business that is not affected in some way by the cost of fuel; for example, the housing industry in this depressed State. At the beginning of the chain of processes, when stone is quarried, fuel is used in the large crushing plants. Further, fuel is used in the haulage of materials, in making bricks, in mining the clay, firing the kilns, and carting the bricks to the site of a construction project.

The flow-on will be tremendous; very few people realise how great it will be. Even the Commonwealth Government's excise laws recognise that the fuel tax has a special place. The Commonwealth Government therefore does not tax diesel fuel used in tractors and stationary engines on farms. Each primary producer with a tractor and stationary engine is given a number and, when his account is sent to him, the tax is not included. However, practically every petroleum user will be brought within the ambit of this State legislation, and the aggregate cost will be impossible to estimate. I predict that the Bill will be highly inflationary, it will further aggravate unemployment, and it will be another disastrous step in the history of this State.

An early answer is needed in connection with this Bill. Most potential licensees are under the impression that, if this Bill is passed, they will have about three months in which they can collect a higher price through approaching the Commissioner for Prices and Consumer Affairs so that they may build up a sum about equal to their quarterly licence fee due on March 24, 1975; that fee is payable in advance. Of course, the licensees' requirements would not be covered entirely, because some clients work on a monthly account.

The Commissioner is not answerable to Parliament: he is answerable to the Government, and the Government makes the announcement. There appears to have been an extraordinary getting together of people virtually to fix a price to enable these people to have somewhere near the sum necessary to meet this commitment. If my impression is not correct, I ask: how does the Government expect these people to meet their first advance payment for three months where large gallonages are involved and where money is in tight supply? I have compared the provisions of this Bill with those of the Motor Fuel Distribution Act. We considered the powers of inspection under that Act to be excessive, but in this Bill the corresponding powers go even further. Clause 10 provides:

(1) An inspector may at any time, with such assistance as he considers necessary, without any warrant other than this section—

(a) enter and remain in any premises at which or at which he reasonably suspects the business of selling petroleum products is carried on or which is or which he reasonably suspects is being used for the storage or custody of any accounts, records, books or documents relating to the sale or purchase of petroleum products.

As honourable members know, this provision could cover a private home as well as a place of business. In the Motor Fuel Distribution Act it was considered bad enough that a person had the right to enter another person's home, particularly if the owner was not at home. To include the words "and remain" is going to extremes in giving inspectors power to stand over people. Clause 10 provides:

(1) An inspector may at any time, with such assistants as he considers necessary, without any warrant other than this section . . .

(c) request any person found in or upon any premises used for the sale or purchase of petroleum products or on which petroleum products are stored for sale—

(i) to produce any accounts, records, books or documents which relate to or which the inspector reasonably suspects relate to the sale or purchase of petroleum products and which at the time of the request are in the possession or under the control of that person;

and

(ii) to answer any question with respect to any such accounts, records, books or documents or the sale or purchase of any petroleum products.

I question this idea of forcing any person present to hand over documents that are in the possession or under the control of a person; the crucial words are "in the possession or under the control". If the proprietor was out of the

premises and if he left someone in charge, that person at that time would be in possession of these things and would have them under his control for that period, yet that person might have absolutely no knowledge of the bookkeeping of the business or where the books were held. These requirements should be confined to the owner, proprietor, manager or a person responsible for running the business.

Also, there should be some leniency in connection with the renewal of a licence. If a person has not renewed his licence, the Commissioner should give him due warning. Human nature being what it is, family problems and business problems can occur. It would therefore be reasonable to allow a person at least a month to tidy up his affairs and pay his licence fee. I have already stated that there should be discretion to allow a reduction in fees where very small sales are made and a service is being given. I strongly support a time limitation on the operation of the Bill. If there is no time limitation on this Bill, I will vote against it, since it may not be needed at all. With proper and reasonable amendments and with a firm time limitation and because the Government is responsible for the revenue of the State and for meeting the debts of the State, I will support the Bill to that extent.

The Hon. M. B. DAWKINS (Midland): It is with great regret that I rise to speak to this Bill, which imposes an iniquitous tax on everyone who drives a motor vehicle, so it will involve almost every family in the State. I believe the tax is an iniquitous burden on the petrol sellers and, as I have said, on the people of South Australia as a whole. It is an inflationary measure, which cannot assist in any way in the present fight against inflation, although it is a short-term measure to assist the revenue of this Government.

We are in this position because of the financial irresponsibility of both the Commonwealth Government and the State Government. In my adult life I have experienced nearly 20 years of Labor Government in either the Commonwealth or the State sphere, and I have yet to see a Labor Government which is really financially responsible and competent and which has the ability to restrain its spending. I well remember that, when the Hon. Mr. DeGaris, the Hon. Mr. Gilfillan and I first entered this Council about 12 years ago, the State Budget was about $200 000 000. Now it is about four times that sum. Surely we cannot blame the whole of that increase on the escalation in costs, nor can we say, by any stretch of the imagination, that South Australia is four times as big economically as it was.

Such a large Budget in a State of the size of South Australia results from the ability of the Labor Party to spend money. When it finds it is running short of money, the Labor Party seeks to apply more taxes. It never seems to consider curtailing its spending rather than applying increased taxes. Its policy seems to be to drain more money from the people. We have seen considerable increases in the Public Service. To pay for such increases and other increases we have had large increases in both Commonwealth and State taxes.

The problem is exemplified in the modernisation of this building. I refer to the waste that has occurred in recent months. It seems that some things are being done that were not necessary, because the existing facilities were quite good. Now the job seems to be taking twice as long as it should take, and I have no doubt that the final cost will be twice as much as was first expected. The Hon. Mr. Burdett, the Hon. Mr. Gilfillan and the Hon. Mr. DeGaris have referred to the Bill in considerable detail. They have instanced the situation in which we find ourselves in which this Government, because the Commonwealth Government has not provided it with as much money as it needed, is scraping the bottom of the barrel and seeking further taxation avenues to increase its revenue.

I cannot support this Bill as it stands. I will not oppose the second reading, because I hope that some improvements can be made during the Committee stage, thereby making it possible for me to support it at the third reading. I endorse what the Hon. Mr. DeGaris said about the deferment of the Bill. It should be deferred until the February sitting of this Parliament. That would be the time to decide finally what should be done about the Bill. In fact, we might be able to see the political (I mean financial) climate more clearly at that stage than we can at present.

The Hon. T. M. Casey: You are not concerned about the political climate?

The Hon. M. B. DAWKINS: The present political climate would worry the Minister more than it would worry me.

The Hon. T. M. Casey: You mentioned it.

The Hon. M. B. DAWKINS: I said it, but I meant the financial climate, and I corrected myself. Occasionally the Minister makes a mistake and corrects himself, and we do not take him to task for that. The Bill should be deferred until the February sitting of Parliament. I believe that a terminating date should be included in the Bill. I am not sure whether it was the Hon. Mr. Burdett or the Hon. Mr. Gilfillan who said that about six months should be sufficient for the Government to get past its trouble and that a terminating date should be inserted in the Bill for that reason.

I concur with what the Hon. Mr. Gilfillan said when he stated that if this legislation is not to be applied (as was suggested by the Hon. Mr. DeGaris) or if it is to be used only temporarily to get us out of a problem, it should not remain in the Statute Book. That is another compelling reason why a terminating date should be inserted. As I have said, I do not intend to oppose the second reading, but I do underline my protest about this sort of legislation, which I do not think can do any good whatever and which, as I have said, places a real burden on the people of South Australia and on the people in this industry in particular. I indicate my displeasure with the Bill, and I ask the Government to consider deferring it until the February sitting of Parliament.

The Hon. C. M. HILL (Central No. 2): I rise to make a short speech on this Bill. I simply want to bring to the notice of the Council and of the Government the extremely strong criticism that is being levelled throughout the length and breadth of metropolitan Adelaide against this measure.

The Hon. M. B. Dawkins: It is also being levelled in the country.

The Hon. C. M. HILL: Yes, and I am pleased to hear representatives close to country people emphasising this fact in the debate. However, I refer especially to those people in metropolitan Adelaide, about 70 per cent of South Australia's population. This area contains about 70 per cent of the vehicles in South Australia, and the criticism of the Government over this measure is severe indeed. It is severe from people within the oil industry, such as service station proprietors, and it is severe from people in business throughout this area.

The criticism by those people who must purchase petrol, because it is part of their means of providing their livelihood, has made me believe that the Council should find

a method by which this Council or the Parliament should review the need for this legislation within a specified time. I also speak for individuals throughout metropolitan Adelaide who are not concerned with the business approach to this matter. The ordinary householder, especially the housewife, I am sure is not yet aware that transport costs will increase as a result of this measure, as will the cost of consumer goods; the goods that the householder needs for his everyday life, the goods he purchases from the corner shop, and the goods his wife purchases from the supermarket will all be increased at a result of this measure. That will further increase the criticism, and I believe, because this measure is before us, that that criticism is entirely justified. Therefore, I support the proposal that a time limit should be fixed on this legislation.

The Hon. R. A. GEDDES (Northern): I speak against this Bill on the basis of its intended method of operation. It is ludicrous, and I believe it would be foolish to vote for it, because I cannot see how the provisions of this Bill can operate in the initial stages. The Bill is designed to come into effect on March 24, 1975, when all who want to produce or sell petroleum products must have a licence. It will be necessary for the retailer to have two licences, one for the Motor Fuel Distribution Act and one to allow him to sell petrol under the provisions of this Bill. As from March 24, 1975, he will have to pay in advance to the State about 10 per cent of his estimated sale of petroleum products for the next quarter, that is, until June 30.

Not mentioned at all in the Bill, nor in the second reading explanation, but freely spoken about in the corridors of Parliament is the understanding that, as soon as this Bill is proclaimed, the petrol manufacturers will appeal to the Prices Justification Tribunal for a 10 per cent rise in the sale price of petrol in South Australia, to become effective on January 1, 1975, with the idea that this 10 per cent increase will give the industry, manufacturers and others involved in the distribution of petrol the opportunity to collect moneys so that they will be able to make their first payment to the State on March 24.

Surely there must be some sleight of hand in this argument. The oil companies are to appeal to the tribunal on the assumption, on the word of the Government, that it will bring into force a certain Act on March 24. In his second reading explanation, and publicly in the press, the Treasurer has said that, if the Commonwealth Government comes to the party and gives South Australia additional finance, he will not make the legislation operative. What logical argument can the petrol companies put up to the tribunal for a 10 per cent increase in the price of petrol to become operative from January 1, 1975, when the tribunal is aware, as a result of statements made in this Parliament, that if the Commonwealth Government does certain things the legislation will not come into operation?

What will stop the tribunal from saying that the people of South Australia cannot take a 10 per cent increase in the price of their fuel, that these prices must be absorbed by the companies and by the chain of distributing outlets? This would create enormous hardship for the industry. Certainly, it would be kind to the motorist, but it would not assist in any material way in the implementation of the Bill as has been outlined by the Government.

Another point is that the Prime Minister, wisely or unwisely (and that is not part of my argument), gave an instruction to the tribunal that, when companies with a turnover of more than $20 000 000 annually applied for price increases, the tribunal was to contain any such increases granted to the approximate rate of the 1972 figures of the company concerned. How can the tribunal carry out the Prime Minister's instruction when the South Australian oil companies go to it cap-in-hand, saying that they have an Act of Parliament which provides that on March 24 certain things will happen so long as nothing else happens in the meantime to upset that. They will say, "We want a 10 per cent across-the-board increase in the prices of our petroleum products in South Australia." The tribunal has its instructions. I can imagine the great difficulties the tribunal will have and the difficulty industry will have if that is the attitude adopted.

The Hon. T. M. Casey: If the report in today's *News* is correct, half the service stations in Victoria will drop the price of petrol by 8c.

The Hon. R. A. GEDDES: That is a worthwhile interjection.

The Hon. T. M. Casey: How can they do that?

The Hon. R. A. GEDDES: The tribunal sets the maximum prices, but the industry can always lower its prices if it wishes to make a sale. Such an 8c reduction would mean that petrol from Victoria could just about reach Adelaide. Currently, petrol from refineries near Portland, so I am told by reliable sources, costs 6c to get to Murray Bridge. The zoning system has been included in the Bill because of the problems faced in respect of the sale of fuel in Victoria in regard to section 92 of the Commonwealth Constitution. An 8c drop in the price of petrol in Victoria could enable petrol to come even further than to Murray Bridge, thereby making the application of this tax in South Australia even more difficult to administer than is foreseen here. What is the price of fuel?

The Hon. T. M. Casey: That is the point. One can get 5c off in many Adelaide suburbs now.

The Hon. J. C. Burdett: That won't apply when this Bill is passed.

The Hon. T. M. Casey: You don't know.

The Hon. R. A. GEDDES: I am aware of how the industry, to create a sale and obtain greater turnover, which is the only way it can make a profit, goes about it. On the back of my motor car is a small yellow sticker giving an indication that a petrol seller in King William Street sells petrol at a certain reduced price.

The Hon. T. M. Casey: How much do you get off?

The Hon. D. H. L. Banfield: Tell us how much you get.

The Hon. R. A. GEDDES: The Ministers will find out for themselves, if they are willing to buy their own fuel for the administration of the State. I turn now to the effect this Bill will have on South Australia. For sure, it will hit the pocket. I remember the words of Ben Chifley: it is the hip pocket nerve that hurts most.

The Hon. D. H. L. Banfield: You didn't give poor old Ben much credit when he was alive, but now that he is dead—

The Hon. R. A. GEDDES: That reflection is not worthy of the Minister. I am not criticising the Hon. Ben Chifley now that he is dead; I made reference to a wise remark he used frequently during his lifetime as an indication of how careful Governments must be. First, the Bill hits the hip pocket nerve of the motorist. This imposition will affect the cost of every commodity transported by vehicle throughout the State. Food costs will rise, clothing costs will rise. Any distribution of goods by vehicle will of necessity have an extra cost added.

This will reflect in its turn on the cost of living in South Australia, and our cost of living figures have not been the pride of the Government (or of the Opposition); in many instances they have been higher than those in every other State of the Commonwealth. This Bill will increase those costs further. I give the Government this warning in saying that I cannot support the second reading of this Bill because of the total effect it must have. I repeat the point I made in my introductory remarks: how can petrol manufacturers get an increase from the Prices Justification Tribunal when two conflicting statements on its intentions have been made by the Government? I do not support the Bill.

The Hon. C. R. STORY (Midland): I will speak briefly to this piece of obnoxious legislation. I have said just about everything I can say on the Government policies regarding taxation. I have spoken on every one of the measures put forward, and anything I have missed out I shall write a book about later! I do not believe that this piece of legislation would have been necessary in any way had suitable precautions been taken over the past two years to see that South Australia was managed in a proper and businesslike way.

The Hon. M. B. Dawkins: A little bit of decent housekeeping.

The Hon. C. R. STORY: That is right. Instead of adopting a hire-purchase attitude to life, a bit of "pay as you go, and if you can't pay don't go" policy would have been useful advice to the Government. However, that is in the past. I do not want to see this type of legislation put on the Statute Book and left there indefinitely, but over the years this sort of thing has happened. Second reading explanations given by a series of Ministers over the years have dealt with this emergency type of financing of the State in crisis (and in Government one always seems to be in crisis when it comes to money), and many statements have been made that the legislation involved will be only a temporary measure to get the State over a hurdle.

So it goes on but, while we provide money to Governments to spend, they will most certainly accommodate us, especially Governments that are socialistically inclined. A very good definition of a Socialist and an excellent illustration is that of a person spending other people's money, but in going about the business of making money and doing something constructive he is not really an expert. Certainly, Governments can be persuaded to spend money if it is dished out, and this Government is no exception; it is magnificent in putting a little coating over things and trying to sell them to the public in another form. I support those people who are endeavouring to convince the Government that we should review this legislation as at September 24, 1975. I believe that is the proper way to approach this matter; otherwise, we will have another Act like the Prices Act on our hands, something that came in for one year and has gone on since wartime.

I do not think we want this. The Government should explain to this Council one or two things not yet explained. I do not see any provision in the legislation for binding the Crown. If there is no such provision, there should be. If the Crown can escape the provisions of this Bill, and if semi-government bodies can escape in some way, it seems that the tax is not being equitably distributed over the business and semi-business community. I want to know from the Minister what provisions are contemplated for binding the Crown, and I should like to know the arrangements in relation to the Supply and Tender Board, and where it fits into the scheme of things in relation to licensing. One is entitled to hear the Government's view on these things, because, if this legislation comes into operation from January 1, as has been suggested, and a period is allowed from that date to March 24, what happens to the moneys collected by the various outlets? If a person decides, a week before March 24, not to go on with a project and dumps the whole thing back in the hands of the oil company owning the outlet (he may be only a lessee), he will have collected the tax from January 1 until March 24. He can go to another State, and I doubt whether there is anything in the legislation under which the Government could collect the money from him.

I am not sure that the oil company owning the selling outlet would not be liable for his default. So many things are not spelt out. Regulations must be brought down to make the legislation operate. It is most unfortunate, in my opinion, that regulations should be brought down to make a scheme as vicious as this one operate when Parliament is not sitting and will not be sitting for nearly two months. Much trouble can be caused during that period, and this Parliament cannot do a thing about disallowing the regulations. The whole thing is not very well managed. We have little choice about letting this Bill go through but we have a great responsibility to see that the regulations that come into Parliament in an endeavour to make this Act work are not unduly restrictive and reasonably make the imposition of this tax equitable throughout the whole motoring community. Also, we do not want to be stuck with this thing forever. Therefore, it must be reviewed on September 24 when the Government will have to come to Parliament and ask for a refresher Bill if the State's finances have not improved or if Big Brother in Canberra has not brought over some of the goodies he has been promising for so long.

The Hon. A. M. WHYTE (Northern): I rise to say my piece about this iniquitous piece of legislation. Regardless of the present need for the State's finances to be bolstered by this legislation, it is most unjust. The cost of fuel will rise, and the implementation of this legislation will be most unwieldy and will impose obligations on all fuel sellers, but what concerns me most is that every commodity must rise in price as a result of this tax. The people in the far-flung areas of this State rely entirely on motor transport, and it is obvious that this increased tax will make the price of some commodities prohibitive to them. Also, many tourists in the outback are supplied by station owners for very little reward, apart from the fact that it does encourage tourism and is perhaps a courtesy service. I cannot for the life of me see these people paying for a licence to be involved in considerable bookwork and the gestapo-type of inspection involved in this Bill to enable them to serve other people. In fact, I can imagine many an owner running down the Birdsville track to get away from it if this Bill is passed without consideration being given to the outlying areas, which depend on road transport for their commodities. Although it is a money Bill and, therefore, perhaps difficult for this Council to amend to any great extent, parts of it will need careful examination before we can agree to it.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—"Interpretation."

The Hon. J. C. BURDETT: I propose to move an amendment to this clause.

The ACTING CHAIRMAN (Hon. Sir Arthur Rymill): As this is a money Bill, it should be a suggested amendment.

The Hon. J. C. BURDETT: Yes, Mr. Acting Chairman. I move the following suggested amendment:

To strike out the definition of "relevant period" and insert the following new definition:

"relevant period" in relation to an application for a licence means the period commencing on and including the first day of July, 1974, and concluding on and including the thirty-first day of December, 1974.

In the second reading debate I said that, if the Bill was to be passed, it should operate for only a limited time. I pointed out that the Government had stressed that the matter was urgent and had said that it wanted to collect the revenue for the rest of this financial year. I said then that June 24 was not too early a date for the Bill to expire and that there should be some sort of stopper. I have relented since then, and this amendment and all the remaining amendments I propose to move are designed so that operation of the Bill will end on September 23, 1975. So it will be in force, as regards licensing, from March 24, 1975, to September 23, 1975, under my amendments, and the period in respect of which this tax will be imposed will be from the beginning of January, 1975, until September 23, 1975. These amendments all adjust the periods at present in the Bill so that the Bill, when it becomes an Act, will expire and have no further application after September 23, 1975.

The Hon. A. F. KNEEBONE (Chief Secretary): As the Hon. Mr. Burdett has said that all these amendments have the same purpose, I will deal with them together rather than singly at this stage. Their effect is that the Bill will now provide that, during a period apparently selected quite arbitrarily from March to September, 1975, it will be unlawful to sell petroleum products in this State without a licence, the licence fee being fixed on what may in legal shorthand be called the "Dennis Hotel" principle, that is, by reference to an antecedent period of six months. The first consequence of these amendments would, in the Government's view, render the whole legislation likely to challenge in the High Court, a challenge that could very well be successful since, in principle, it has effected a departure from the "franchise of indefinite duration" on which legislation of this nature has been held to be within the constitutional powers of this State. Aside from this, it also appears to the Government that the retail sellers of petrol would be placed in a quite impossible position in endeavouring to secure from either the Prices Justification Tribunal or, as the case requires, the Prices Commissioner approval for an increase in price of their products to the consumer simply to cover what may in one sense be seen as a Parliamentary aberration. For these reasons, I urge honourable members not to accept the amendments.

The Hon. J. C. BURDETT: If the Chief Secretary had recalled my speech on the second reading, he would have remembered that I said in fairly graphic terms that I thought the Bill was subject to challenge in the High Court, anyway, and that, if it survived the challenge, the Solicitor-General would be entitled to the first award of the proposed new honour. I realise that this may take it closer to the brink, but that is not my responsibility or that of members on this side.

The Hon. A. F. Kneebone: It is if you move the amendment.

The Hon. J. C. BURDETT: No, it is not. If the Government seeks to introduce legislation that is of doubtful constitutionality—

The Hon. A. F. Kneebone: It is based on the New South Wales legislation.

The Hon. J. C. BURDETT: If the Government persists in introducing legislation which is of doubtful constitutionality and which is bad in some respects or seeks to persist for a longer period than was stated, namely, to cover the present period, I cannot help it if the amendment takes us a little closer to the brink. I do not think that is a valid reason for objecting to the amendment.

The Hon. A. F. Kneebone: Well, I do!

The Hon. J. C. BURDETT: The Minister does, and he has.

The Hon. A. F. Kneebone: It seems that this amendment is designed to cause the Bill to be unconstitutional.

The Hon. J. C. BURDETT: It is not. It is designed for the reason I stated before. I cannot see any reason for this legislation to go on without limit, as it has been proved in the past that, once taxation legislation is imposed, it is never removed. It is imposed to cover a certain contingency or emergency and, when that contingency is removed or the emergency passes, the tax is never abolished. This is a radical piece of indirect taxation which will have unjust results, as several honourable members have said.

I am certainly not willing to countenance legislation of this kind which imposes a radical, iniquitous sort of tax without some limit being set. As I said previously, I thought a reasonable date would be June 24 next. I have relented and extended it to September 23. I am not willing to vote for this Bill if it is to continue in operation indefinitely. I will not be subjected to a threat that, because I am not willing to allow it to operate indefinitely, the whole Bill may be unconstitutional. I am willing to accept the Bill if a time limit is placed on it.

The Committee divided on the amendment:

Ayes (12)—The Hons. J. C. Burdett (teller), Jessie Cooper, M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, C. M. Hill, F. J. Potter, Sir Arthur Rymill, V. G. Springett, C. R. Story, and A. M. Whyte.

Noes (6)—The Hons. D. H. L. Banfield, B. A. Chatterton, T. M. Casey, C. W. Creedon, A. F. Kneebone (teller), and A. J. Shard.

Majority of 6 for the Ayes.

Amendment thus carried.

The Hon. C. R. STORY: During the second reading debate I asked the Chief Secretary whether the Crown was to be bound by this Bill and whether provision was being made for the Supply and Tender Board in relation to its purchases of fuel for Government and semi-government authorities. Can he now answer that question?

The Hon. A. F. KNEEBONE: Naturally, as a result of the tax, the price will be increased, and this will affect the Government's purchases of petrol and petroleum products.

The Hon. R. C. DeGARIS: Could the Government purchase fuel from a wholesaler without the tax being charged on that fuel?

The Hon. A. F. KNEEBONE: According to my information and my understanding of the matter, the answer is "No".

Clause as amended passed.

Clause 5 passed.

Clause 6—"The Commissioner."

The Hon. J. C. BURDETT: This clause is the first of the administrative provisions. The Chief Secretary will recall that during the second reading debate I asked him

whether the Government had exhausted all its sources of available funds before it introduced the tax. I asked him to say specifically whether the South Australian Government had availed itself of all the Commonwealth grant funds that could become available to it. The Hon. Mr. DeGaris has asked the same questions, but the Chief Secretary has not replied to them.

The Hon. A. F. KNEEBONE: We are aware that a small amount of Grants Commission money is available to the Government in an emergency, and the Government will have to apply for it. However, this will in no way obviate the need for the revenue resulting from this Bill. The deficit will be $20 000 000 plus. I am not aware of the exact amount that is available in an emergency from the Grants Commission, but I am informed that it would make only a small dent in the deficit.

The Hon. R. C. DeGARIS: Could the Chief Secretary tell me what he means by a small amount?

The Hon. A. F. KNEEBONE: I was informed that it was about $5 000 000. The Grants Commission provides a certain sum in a certain year of deficit and, if the sum provided extends beyond the amount of the deficit, the extra amount is put into a fund and kept for an emergency. This is an emergency, and we will have to apply for it. It will not make much impression on the deficit. I was also asked whether the Bill was introduced as a bluff against the Commonwealth Government.

The Hon. R. C. DeGaris: The Premier said something like that, didn't he?

The Hon. A. F. KNEEBONE: We have already told the Australian Government that we would have to provide for this sort of taxation if money was not available, and the Australian Government rejected our argument. We were then forced to introduce the Bill. Someone asked whether we would keep the Bill on the Notice Paper until next February, because that might influence the Australian Government. We have already made approaches, so keeping the Bill on the Notice Paper until next February would not assist us and it would make the legislation almost inoperable; by the time the Bill was passed, there would be very little time for people to apply for licences before March 24.

The Hon. R. C. DeGARIS: The Chief Secretary has referred to a deficit of $20 000 000 plus; the Premier has referred to a deficit of $36 000 000; and I say $40 000 000. The Stamp Duties Act Amendment Bill will return $6 800 000; this Bill will return $10 000 000; and the tobacco tax legislation will return $2 000 000 in this financial year. Those figures add up to about $20 000 000. Does this mean that the Government will not be able to claim the sum of $5 000 000 from the Grants Commission?

The Hon. A. F. KNEEBONE: We will still need whatever we can get, even on the Leader's figures.

Clause passed.

Clauses 7 to 9 passed.

Clause 10—"Powers of inspector."

The Hon. G. J. GILFILLAN: I am concerned about the words "enter and remain" in subclause (1) (*a*). What limitation is placed on the word "remain"? Does the provision mean that an inspector can enter a house where he suspects that records may be kept in relation to the sale of petroleum, and the inspector can remain indefinitely? There should be some limitation on the period for which he can remain on the premises. The Motor Fuel Distribution Act provides that an inspector may enter any premises for the purpose of ascertaining whether the provisions of the Act have been complied with; that seems to be a more reasonable way of limiting the inspector's powers. The word "remain" conveys the impression that an inspector can enter premises and remain indefinitely, provided he has reason to believe that something may occur.

The Hon. A. F. KNEEBONE: I am informed that the word "remain" has been inserted to ensure that the inspector can remain on the premises only sufficiently long to do his job.

The Hon. G. J. GILFILLAN: What limitation is in the clause to ensure that the inspector remains only for that period?

The Hon. A. F. KNEEBONE: If he remains any longer than is necessary to do his job he is trespassing. He is only authorised to do a certain job.

The Hon. A. M. WHYTE: Subclause (1) (*c*) provides powers greater than those provided in any of the other Acts, including the Motor Fuel Distribution Act. A person can be required to supply an inspector with information. I do not believe it is right that any person on the premises should be responsible for producing books that may be required for inspection. I seek clarification on this.

The Hon. A. F. KNEEBONE: I am told that the provision applies only to anyone who has any accounts, records, books or documents in his possession or under his control.

Clause passed.

Clause 11—"Sale of petroleum products by unlicensed persons prohibited."

The Hon. J. C. BURDETT: I move:

In subclause (1) to strike out "on and from the twenty-fourth day of March, 1975," and insert "During the period commencing on and including the twenty-fourth day of March, 1975, and concluding on and including the twenty-third day of September, 1975."

I explained the reasons for this amendment when I moved the previous amendment. All the amendments are designed to make the Act expire on September 23, 1975.

The Hon. A. F. KNEEBONE: I agree that all the remaining amendments are consequential on the first amendment moved, which I put to a test vote. I was opposed to that amendment and I am opposed to all the subsequent amendments, and I ask the Council to vote accordingly.

Amendment carried; clause as amended passed.

Clauses 12 and 13 passed.

Clause 14—"Fees."

The Hon. J. C. BURDETT moved:

In subclause (11) to strike out "twenty-fourth day of March, 1976" and insert "twenty-fourth day of September, 1975." and to strike out "ended on the thirtieth day of June, 1974"; in subclause (12) to strike out "period of twelve months ended the thirtieth day of June next preceding the twenty-fourth day of March." and insert "relevant period"; in subclause (15) to strike out paragraphs (*a*) and (*b*); in paragraph (*c*) to strike out "three-quarters" and insert "one-half".

Amendments carried; clause as amended passed.

Clauses 15 to 17 passed.

Clause 18—"Payment of fees by instalment."

The Hon. J. C. BURDETT moved:

To strike out subclause (2) and insert the following new subclause:

(2) the instalment referred to in subsection (1) of this section shall be two in number the first being due and payable before the grant of the licence and the second being due and payable before the expiration of the third month next following that grant.

Amendment carried; clause as amended passed.

Clause 19 passed.

Clause 20—"Renewal of licences."

The Hon. J. C. BURDETT: I am opposed to this clause. This opposition is in line with the amendments I have moved. As a result of my amendments there will be no renewals.

The Hon. R. C. DeGARIS: Will the Hon. Mr. Burdett say whether it is necessary to delete this clause? If the legislation is again considered by the Council next August, will the clause have to be reinserted?

The Hon. J. C. Burdett: Yes.

The Hon. R. C. DeGARIS: Will the deletion of this clause bring it even closer to the brink in respect of its constitutional validity?

The Hon. J. C. BURDETT: By opposing clause 20 we will take the matter further from the brink than it would otherwise be. If the Bill becomes an Act and is extended after September 23, 1975, a clause similar to the prescribed clause 20 will have to be inserted but, in accordance with the amendments that have been so far carried, there will be no renewals. Therefore, I oppose clause 20.

Clause negatived.

Remaining clauses (21 to 35) and title passed.

Bill read a third time and passed.

Later:

The House of Assembly intimated that it had disagreed to the Legislative Council's suggested amendments.

Consideration in Committee.

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That the Legislative Council do not insist on its amendments.

The reason for disagreement is: because the amendments make the measure unconstitutional. As I understand it, in the case that was before the court (the Dennis Hotels case), the majority of the judges agreed that, because the provisions in relation to that matter were of a temporary nature, it was unconstitutional but, where a matter was of a permanent nature, it was constitutional. The amendments put it beyond doubt that the licensing is of a temporary nature and, as a result, the Bill is unconstitutional.

The Hon. J. C. BURDETT: There is no such thing as a permanent franchise, although there can be a franchise for an indefinite period. I doubt very much whether this Bill was constitutional anyway, to start with.

The Hon. R. C. DeGaris: You are wrong on that.

The Hon. J. C. BURDETT: I am interested to hear what the Hon. Mr. DeGaris has said but, anyway, I think the Bill was unconstitutional. I do not think the amendments make it substantially worse. In any event, the Government was going to be challenged in the High Court, whether or not these amendments were carried.

The Hon. F. J. Potter: Someone will challenge it, I suppose.

The Hon. J. C. BURDETT: Yes; let the High Court determine that, but let us determine whether this legislation should go on the Statute Book for all time (it will never be repealed once it is there) or whether it should be there for a limited period.

Motion negatived.

A message was sent to the House of Assembly requesting a conference, at which the Legislative Council would be represented by the Hons. J. C. Burdett, C. W. Creedon, R. C. DeGaris, G. J. Gilfillan, and A. F. Kneebone.

Later:

A message was received from the House of Assembly agreeing to a conference to be held in the Legislative Council conference room at 10 a.m. on Thursday, November 28.

The Hon. A. F. KNEEBONE moved:

That a message be sent to the House of Assembly agreeing to the time and place appointed by the House of Assembly for the holding of the conference.

Motion carried.

The Hon. A. F. KNEEBONE moved:

That Standing Orders be so far suspended as to enable the conference on the Bill to be held during the adjournment of the Council and that the managers report the result thereof forthwith at the next sitting of the Council.

Motion carried.

MINING ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from November 26. Page 2200.)

The Hon. A. M. WHYTE (Northern): This Bill is a short measure, and I do not think it contains anything confusing except, perhaps, the legal jargon in which it is expressed. The purpose of the amendment is merely to up-date the Statutes, and that has been done by that honoured gentleman, Mr. Ludovici, who I am sure honourable members will agree served a wonderful term as Parliamentary Counsel. I am sure that what he has written here in fact does what he wishes it to do: it spells out, as was stated in the second reading explanation of the Bill, that the Minister of Mines shall be the Minister of Mines, regardless of what other portfolio he may hold.

When the portfolio was widened to give the Minister the title "Minister of Development and Mines" some doubt remained about whether he was the Minister of Development and Mines or the Minister of Mines. This amending Bill merely makes quite plain that, regardless of whether he is the Minister of Development and Mines, or even perhaps whether portfolios are changed (it could be the Minister of Works, the Minister of Agriculture, or any other Minister who is acting also as Minister of Mines), any reference to the Minister of Mines does then declare him as Minister of Mines. I think that is all the amendment does to the principal Act. I have given notice, as has the Hon. Murray Hill, that I shall take the opportunity to discuss other aspects of the Mining Act. I have pleasure in supporting the Bill.

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

LISTENING DEVICES ACT AMENDMENT BILL

In Committee.

(Continued from November 26. Page 2202.)

New clause 1a.

The Hon. J. C. BURDETT: I support the amendment. Section 4 of the principal Act provides:

Except as is provided in this Act a person shall not intentionally use any listening device to overhear, record, monitor or listen to any private conversation, whether or not he is a party thereto, without the consent, express or implied, of the parties to that conversation.

Section 7, which the new clause proposes to strike out, provides:

(1) Section 4 of this Act does not apply to or in relation to the use of a listening device by a person (including a member of the Police Force) where that listening device is used—

(*a*) to overhear, record, monitor or listen to any private conversation to which that person is a party:—

that is opposed to section 4, which provides whether the person is a party to the conversation or not—

and

(*b*) in the course of duty of that person, in the public interest or for the protection of the lawful interests of that person.

(2) A person referred to in subsection (1) of this section shall not otherwise than in the course of his duty, in the public interest or for the protection of his lawful interests, communicate or publish any information or material derived from the use of a listening device under that subsection.

I think the Hon. Mrs. Cooper had in mind that, even if a person was a party to a conversation (and this is what was provided in section 7), it should not be lawful to record that conversation unless the party had been warned. Section 7 of the principal Act made it lawful for a person to record a conversation if that person was a party to it and whether or not the other party had been warned. The Hon. Mrs. Cooper thought, as I do, that this was improper. Section 7 also mentions "a person, including a member of the Police Force". I consider it would be quite improper for anyone, including a member of the Police Force, to record a conversation if he were a party to that conversation (and I cannot see that that makes much difference) without warning the other person that the conversation was being recorded.

Police officers usually take statements in shorthand, so it is obvious that statements are being recorded, or by taking them directly on to a typewriter. In my experience, if members of the Police Force are going to take statements from people they warn them first (and they are required under judges rules to be warned first) and people know that what is being said is being recorded. Therefore, the provisions of section 7 are objectionable. At one stage, the Hon. Mrs. Cooper wanted to amend the existing section 7 to provide that it should not be lawful for a party to make a recording of the conversation unless the other party had been warned that the conversation was being recorded. But, of course, this really is not necessary, because of section 4, which provides that the only prohibition is "without the consent, express or implied, of the parties to that conversation". It could fairly be said that, if the other party had been warned and still persisted with the conversation, he had consented by implication. That is perfectly fair and is a matter of drafting. It appears to me that the best way of doing what the Hon. Mrs. Cooper wants to do is what she has done—move to repeal section 7 altogether, because, where the other parties to the conversation have been warned and persist with the conversation, it could fairly be said they had consented to the conversation by implication and were therefore entitled to the exception made in section 4.

Briefly, the Hon. Mrs. Cooper is saying, I think, that the principle she is trying to introduce in this amendment, and has successfully done so, is that, even if a person is a party to a conversation, he may not record by listening device what some other person says without warning or without that person's knowledge. Otherwise, it is an offence.

The Hon. Sir ARTHUR RYMILL: I gave my excuse last night for agreeing to this legislation in the first instance, two years ago. The member who has just resumed his seat might have a better excuse, as he was not a member of this Council when the legislation was drafted some years ago. So he has a definite excuse, but I have not. Nevertheless, excuses are not needed, because anyone can fail to pick up a clause that may be bad. We have often heard various members of the Government, both here and in Canberra, say that people are entitled to admit they are wrong. I asked the Chief Secretary last night to report progress to give me a chance to look at this Bill again. I have done that, and it seems to me that section 7 of the Act, which the Hon. Mrs. Cooper now wants removed, completely destroys section 4, which is the principal section and which provides:

Except as is provided in this Act a person shall not intentionally use any listening device . . . without the consent . . . of the parties to that conversation.

Section 7 then gives the exceptions mentioned in section 4. If we care to analyse these sections, we see that they except practically everything; section 7 provides that section 4 does not apply where a listening device is used to record any private conversation to which that person was a party. Paragraph (*b*) provides:

in the course of duty of that person, in the public interest or for the protection of the lawful interests of that person.

So there are two categories there. One is where it is in the public interest (if one can claim it is, one can record without consent) and the other is where it is in the protection of one's own lawful interest, in which case one is entitled to record without consent.

Let us examine the circumstances to which that could apply and take, first of all, the Government monitor, recording all and sundry. Who could say that that was not in the public interest or that it was in the public interest? The whole thing is so much up in the air that one could not tell whether or not it was in the public interest, so any court would give it the benefit of the doubt. The Minister would say he had put the monitor there to record, by and large, in the public interest. So the Government monitor is exempted, for a start.

Anyone in any public position would be able to say that something was in the public interest. Any Minister of the Crown would be able to have under his desk a listening device, because, as he is a public man, he could say it was in the public interest. Any ordinary backbencher may claim, "Because I represent the public, it is in the public interest", so any protection under section 4 is whittled away. Coming to the other categories—the person who is recording in the interests of—

The Hon. A. F. Kneebone: It must be a lawful interest.

The Hon. Sir ARTHUR RYMILL: I agree—"in the lawful interest". This means that I can record anything I want to record without the other party's consent as long as I do not intend to do it for an unlawful purpose. Section 7 (2) provides that in those circumstances a person referred to in subsection (1) shall not communicate or publish any information derived from the use of a listening device under that subsection so, under section 7, for his own purposes a person can record anything he wants to, in his own interest, as long as he does not use it unlawfully or does not have some nasty thoughts in his mind (which no-one could prove, anyway) while the matter is being recorded. So it seems to me, after this two-year reflection I have had, that section 7 of the 1972 Act practically, although not totally, destroys the operation of section 4, a section inserted, I imagine, to try to protect people from a recording being made without their knowledge. I repeat what I said last night about the Privacy Bill in relation to this category: that I think people are entitled to protection against a recording taken without their knowledge or consent. The Act purports to do this, but this Bill virtually removes that provision, so the protection is not there at all.

The Bill is rather a trivial one. Its whole purpose is that, where a person is convicted of an offence against the Act (it would be hard to convict anyone, anyhow, unless he made use of a recording), the court can, in addition to

imposing any other penalty, order that the listening device be forfeited to the Crown or be destroyed or disposed of in some other manner.

It could well be that, if we insist on this amendment, the Government will dump this rather trivial Bill. I do not know that the Hon. Mrs. Cooper's amendment will have the effect that I would like it to have. However, I intend to support it. Although I thought last evening that it might go too far, on reflection I thought the only way in which it might go too far might be to withdraw the rights of the police.

The Hon. Jessie Cooper: That is covered in section 6.

The Hon. Sir ARTHUR RYMILL: I was about to say that. It will not therefore go too far. However, if we insist on this new clause, the Government could well say that it will let the Bill lapse altogether. I would not weep any crocodile tears about that.

The Hon. M. B. DAWKINS: I support the new clause.

The Hon. Sir Arthur Rymill said that he had some excuse for missing this point two years ago because he was unwell, and that the Hon. Mr. Burdett had a complete excuse because he was not a member of the Council at that time. I am afraid I have no excuse for failing to pick this up because I should have done so. I have not been an entire stranger to recording over the past 20 or 30 years, but I am totally opposed to recording speeches or sound without permission. I think the Government's monitoring service, to which the Hon. Sir Arthur Rymill has just referred, would be the chief offender in this regard. Indeed, I referred to this matter in the second reading debate on the Government's Privacy Bill.

I am in favour of section 4 of the principal Act. I believe, as the Hon. Sir Arthur Rymill said, that section 7 is largely a contradiction of section 4. This is by no means the only instance, in the over-legislation that we are getting today, of this sort of contradiction. I, too, thought last evening that the new clause might go too far. However, on reflection I do not think it will.

The Hon. A. F. KNEEBONE: I opposed the new clause yesterday, and nothing that honourable members have said has altered the opinion I expressed then. I understand from what I have been told that the people who use this provision more than anyone else are those in the business fraternity; they would be most disappointed with this new clause. What honourable members have said about the Government's monitoring service is completely wrong, as what is recorded is available to and can be heard by everyone around the State, anyway. Anyone can listen to interviews and expressions that are used by interviewers on radio and television. However, the advice that is given, particularly regarding legal matters, on, say, talk-back programmes is often wrong and off course.

The Hon. R. C. DeGaris: Whom have you got interpreting the law?

The Hon. A. F. KNEEBONE: Many people on talk-back sessions interpret the law, and some of them are way off beam.

The Hon. R. C. DeGaris: Whom, with legal qualifications, does the Government employ to listen to all these programmes and give the right advice?

The Hon. A. F. KNEEBONE: There is no-one with legal qualifications. After certain things are recorded, the appropriate Minister replies to them if he can get his reply in the press or on other sections of the media. However, his reply is not often accepted.

The Hon. R. C. DeGaris: Is that the reason why the unit was established?

The Hon. A. F. KNEEBONE: Not necessarily for that reason but to get a point of view expressed on everything that is said regarding these matters. Certain people try to interpret the law and, in doing so, make mistakes that can and should be refuted. Otherwise, the public is led astray regarding policy matters and interpretations of the law. The Leader must have heard people giving their interpretations of the law on talk-back programmes.

The Committee divided on the new clause:

Ayes (12)—The Hons. J. C. Burdett, Jessie Cooper (teller), M. B. Dawkins, R. C. DeGaris, R. A. Geddes, G. J. Gilfillan, C. M. Hill, F. J. Potter, Sir Arthur Rymill, V. G. Springett, C. R. Story, and A. M. Whyte.

Noes (6)—The Hons. D. H. L. Banfield, B. A. Chatterton, T. M. Casey, C. W. Creedon, A. F. Kneebone (teller), and A. J. Shard.

Majority of 6 for the Ayes.

New clause thus inserted.

Title passed.

Bill read a third time and passed.

LAND AND BUSINESS AGENTS ACT AMENDMENT BILL

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

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That this Bill be now read a second time.

It makes a number of unconnected amendments to the Land and Business Agents Act, 1973. The amendments centre largely on section 88, which establishes a cooling-off period, and section 90, which is designed to ensure that parties to transactions involving the acquisition or disposal of land and businesses enter on those transactions on the basis of proper information. The amendments in this connection streamline procedures, and ensure against abuse of the cooling-off provision by unscrupulous persons. In addition, a new provision is inserted under which the board is empowered to appoint a manager where an agent becomes bankrupt or insolvent, misappropriates or misapplies trust moneys, is suffering from a mental or physical incapacity, or commits some serious irregularity in the conduct of his business. Another amendment allows the board to grant an exemption from the requirement of the principal Act that a branch office of an agent's business must be managed by a registered manager.

Clauses 1 and 2 of the Bill are formal. Clause 3 amends section 38 of the principal Act. New provisions are inserted under which the board may exempt an agent from the obligation to have a branch office managed by a registered manager where the board is satisfied that the agent, after taking reasonable steps to do so, has been unable to obtain the services of a registered manager at the branch office, and that a registered salesman of at least five years experience, whose work is supervised by the agent, or a registered manager is in charge of the branch office. The exemptions may be made for a period of six months or for successive periods of six months, but no exemption is to be effective after the expiration of three years from the commencement of the amending Act. New subsection (4) provides that, where an agent has a registered manager at a branch office and the manager dies, ceases to be in the employment of the agent, ceases to be a registered manager, or ceases to have a place of residence in this State, the

agent shall have a period of grace of one month within which he may obtain the services of a registered manager for the branch office.

Clause 4 amends section 41 of the principal Act. This section, which is in the same terms as a previous section of the Land Agents Act, provides that any advertisement relating to the sale or disposal of land or a business must be authorised by the owner of the land or business. The section does not, however, cover the case of a mortgagee sale or a sale by an officer of a court. An amendment is inserted to cover this position. Clause 5 amends section 61 of the principal Act. The effect of the amendment is that an agent, or other person, who has a legal practitioner or land broker in his employment may charge a fee in respect of the preparation of an instrument where he acted as agent in the transaction to which the instrument relates, or was a party to the transaction to which the instrument relates, and the legal practitioner or land broker has been in his employment since May 1, 1973, or some earlier date.

Clause 6 deals with the appointment of a manager where for some reason the agent is incapable of attending properly to his affairs. The manager is to have power to dispose of trust moneys of the agent to persons lawfully entitled to those moneys. In addition, no dealing with trust moneys is to take place except with the consent of the manager. An agent may appeal against a resolution appointing a manager under this section. Clause 7 amends section 85 of the principal Act relating to powers of inspection. It enables an authorised person to inspect any books, accounts, documents or writings in the custody or control of a bank or other institution relating to trust moneys of an agent or licensed land broker. Clause 8 makes a minor drafting amendment.

Clause 9 amends section 88 of the principal Act, which relates to the cooling-off period. The first amendment makes it clear that the notice of rescission may be given by the purchaser at any time before the expiration of two clear business days from the prescribed day, but that the notice must be given before the date of settlement. New subsections (1a) and (1b) are inserted under which the vendor may, if the purchaser exercises his rights of rescission under section 88, retain a deposit (not exceeding $25) paid by the purchaser in respect of the sale. New amendments are inserted providing that, where the vendor does not provide the section 90 statements at the time of making the contract, the purchaser has the right of rescission for two business days after those statements are given. The amendment also deals with the problem of undisclosed purchasers who act through nominees. In such a case it is necessary only for the notice of rescission to be served on a person whose name appears on the contract as vendor of the land or business.

Clause 10 amends section 90 of the principal Act. First, the requirement that the statements be given before execution of the contract by the purchaser is deleted, and in its place a requirement is inserted that the statements be given at least 10 days before the date of settlement. A provision is inserted under which a statement may be compiled by the vendor or agent up to two months before the date of the contract. This statement will be deemed to comply with the requirements of this section if the purchaser is notified at the time the statement is given to him of any variations in the particulars that have come to the notice of the vendor in the interim period. A new subsection is inserted requiring an auctioneer to make the section 90 statements available for public inspection before the auction. The definitions of "charge" and "encumbrance" are amended so as to exclude charges arising from a rate or tax imposed less than 12 months before execution of the contract by the purchaser. Clause 11 amends section 91 of the principal Act, which relates to the sale of small businesses. The remedies available under section 91 are assimilated to those provided by section 90.

The Hon. C. M. HILL (Central No. 2): Those concerned with the real estate industry and the members of the public who are their clients have been waiting throughout this year for amendments to be made to the principal Act, and also for acceptable regulations to be brought down. The Bill now before us has been amended in another place; it brings some improvements to the 1973 Act.

Immense problems have been encountered by licensed land agents in South Australia during this year because of that Act. Retrenchments have occurred within the offices of licensed land agents, and reduced business turnover has resulted in some cases in serious financial loss. The opportunity has been provided for some unscrupulous members of the public to resort to dishonourable practices as a result of that somewhat experimental legislation.

This amending Bill does not ensure completely satisfactory legislation, and I hope that the Act as amended on this occasion will be reviewed regularly by the Government until the best possible legislation in the interests of the public as well as the agents results. I commend those who hold office in the Real Estate Institute of South Australia Incorporated on the responsible way in which they have made representations during this year to the Premier and to the Attorney-General to improve the Act, in the best interests of all concerned. I hope that the much needed regulations will be made as soon as possible, and I remind the Government that the existing regulations still lie on the table of this Council.

The improving of those regulations should be regarded by the Government as urgent. I am sorry to see that in this Bill there has been no great change in the Government's attitude to the licensed land broker. There has been a minimal change, but the main policy of the Government towards licensed land brokers who were employees or licensed land brokers who had previously also held licences as land agents has not changed. It seems that the Government has decided it will not change its policy. The change to which I refer has brought great hardship upon many people who do not deserve treatment of that kind. However, because the Act is improved by the changes in this Bill, I support it, and trust it will have a speedy passage.

The Hon. F. J. POTTER (Central No. 2): I support the second reading of this Bill which, as the Hon. Mr. Hill said, we have been awaiting with some eagerness ever since the Act was passed last year. The amendments contained in the Bill are not only necessary but are also acceptable to members of the Real Estate Institute and will, I am sure, have the support of all honourable members.

Some attempt has been made to clear up one or two vague questions that arose over the legality, or otherwise, of an agent's being able to charge for work done by a broker employed by him. This has now been covered by an amendment to section 61 of the Act. It is interesting to note that, for this matter to be cleared up, something that has obviously been illegal for a long time has had to be made legal.

The whole of section 61 seems to be cumbersome indeed now. I should have hoped perhaps that the Parliamentary Counsel would be able to rewrite the whole provision in

much simpler language. However, the Bill has the support of all members of the Real Estate Institute who, I am sure, will welcome the changes that are being made. I hope that, as soon as the Bill has been passed, an immediate start will be made on amendments to the regulations, as those changes are also necessary.

The Hon. J. C. BURDETT (Southern): I rise briefly to support the second reading, for very much the same reasons as those to which the Hon. Mr. Potter has referred. In many respects, the principal Act was objectionable and unwieldy. It required information to be produced which was useless and impossible to be obtained, some of it improper to be obtained; certainly some of it constituted a gross breach of privacy.

This Bill takes away many of the disabilities of the Act, and will make it more workable. It has gone not all the way but at least some of the way towards remedying the disabilities that land agents, land brokers, solicitors and others had, in practice, found the principal Act to contain. As the Hon. Mr. Potter has said, regulations are most important in this field. Most of the difficulties were caused by the regulations rather than by the Act.

I understand that the Attorney-General has undertaken to withdraw the present regulations, which are subject, of course, to a disallowance motion, and to introduce fresh ones. I certainly look forward to seeing the new regulations. The Bill will make the Act although perhaps not as workable and as reasonable as honourable members would have liked but at least better than it was previously. I hope that when the new regulations are introduced the position will be even better. I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—"Preparation of instruments."

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

In new subsection (1a) (*b*), after "been", to insert "continuously".

This amendment needs no explanation as its purpose is clear to all honourable members. I ask them to accept it.

Amendment carried; clause as amended passed.

Remaining clauses (6 to 12) and title passed.

Bill read a third time and passed.

STAMP DUTIES ACT AMENDMENT BILL

In Committee.

(Continued from November 26. Page 2199.)

Clause 6—"Amendment of second schedule of principal Act."

The Hon. R. C. DeGARIS (Leader of the Opposition): I move:

To strike out paragraph (*a*).

If this amendment and another amendment to strike out paragraph (*b*) are carried, I will then move for the deletion of the whole clause. I gave the reasons for opposing paragraph (*a*) when I last spoke to this clause. The present rate of stamp duty on life assurance premiums in this State is $1 for every $100 of premiums collected, which is the highest rate of taxation on life assurance premiums in Australia. Stamp duty on life assurance policies in other States is based on the amount of the policy and is collected only once in the lifetime of that policy; but in this State we collect the tax on the premiums paid. As I said yesterday, we should be encouraging people to take out life assurance as a protection to their families and not be placing barriers in their way. My figures, which have not been refuted by the Government, show that stamp duty amounts to 30c in the dollar on declared bonuses. If stamp duty was not payable on the premiums payable to a life assurance society, which may be, and most likely is, a co-operative society (few large societies in Australia are not mutual), the declared bonuses would be 30c in the dollar higher than they are at present.

I have tried to work out some figures on this. It is difficult to do so when one is comparing a tax-gathering method on life assurance in other States, where it is on the total cover, with the method of imposing stamp duty on premiums paid, as in South Australia, but I claim that, whereas stamp duty in South Australia affects the declared bonuses by 30c in the dollar, in other States the effect is only 5c in the dollar. Therefore, South Australia is six times as high as other States in respect of stamp duty on life assurance policies. With this further 50 per cent increase in the rate of duty, in my opinion what will happen is that all policy-holders in South Australia will have a bonus declared on their policies for South Australia alone, and that declared bonus will be smaller than the declared bonus of a policy held in a life office in another State. I do not know why the other States should carry the burden for South Australia. If this State Government is to tax to the limit policies that any Government should be encouraging people to take out, why should the other States in their declared bonuses not take into account the fact that this State is taking too much out of the life assurance industry? I predict that, with this proposed increase in the rate of stamp duty, the declared bonus in South Australia on a life assurance policy of, say, $1 000 or $2 000 will probably be 15c to 20c in the dollar less than the declared bonus on a similar policy taken out in another State.

The Hon. A. F. KNEEBONE (Chief Secretary): The Government totally opposes this amendment and the one proposed to be moved in respect of paragraph (*b*), which would have the effect of reducing the revenue that the Government is expecting to get from increased stamp duties by $2 000 000 during the 1974-75 financial year. These proposals were part of the Budget, which has already been dealt with. The taxing of life assurance has been a long-established practice in this State, and the Leader is now moving to deprive the Government of extra revenue from this traditional source. If I understand his comments correctly, he believes it is unfair for policy-holders in the rest of Australia to have bonuses lower than would otherwise be available to them because of increased stamp duty in South Australia.

The Hon. R. C. DeGaris: No. I am saying that what will happen is that the life offices will get sick and tired of bonuses in South Australia being the same as they are in other States when our stamp duty is five to six times higher than it is in other States.

The Hon. A. F. KNEEBONE: In putting these proposals to Parliament, the Government has taken the reverse view that the full impact will not be on South Australian policy-holders but will be spread over the whole of Australia, which will minimise the effect on South Australian policy-holders. To change the basis of stamp duty, as the Leader seems to suggest, would entail a great deal of investigation and the Government would not propose to make such a change to a long-established practice without such an investigation. I strongly oppose the amendment.

The Hon. R. C. DeGARIS: Will the Chief Secretary say how much revenue the Government is at present receiving from the tax on life assurance premiums and how

much the Government expects to receive from the increase in stamp duty? In the second reading explanation the Minister said that $1 400 000 was expected to be received in this respect; that sum must relate to more than life assurance policies. My amendment would merely reduce the expected income to what it was last year.

The Hon. A. F. KNEEBONE: The sum to which the Leader has referred is the additional revenue that the Government expects to receive from this increase in taxation. If the Leader's amendment is carried, that sum will not be received.

The Hon. R. C. DeGARIS: In his second reading explanation the Chief Secretary referred to a $1 400 000 increase in stamp duties in a full year. He also said that that same sum would be received for the remainder of the 1974-75 financial year as a result of this impost. The figures that the Chief Secretary have given are therefore somewhat erratic.

The Hon. A. F. KNEEBONE: It is apparent that a mistake has been made in the second reading explanation. I cannot separate for the Leader the sum that the Government will lose as a result of this increase not being available. I have been told that the figure relating to all the increases is about $2 000 000.

The Hon. R. C. DeGARIS: I assure the Chief Secretary that that is an over-estimation. My amendments will reduce the revenue of about $6 100 000 that the Government expects to receive (actually, my figures show about $6 800 000) by about $900 000.

The Hon. A. F. KNEEBONE: My figures were supplied by the Treasury. I would prefer to rely on those figures than the Leader's, as I do not know where they came from.

The Hon. R. C. DeGARIS: When the Council debated the stamp duty legislation last time, the Treasury figures that had been supplied were admitted to be extremely conservative. Even when the Government accepted the Opposition's amendments at a conference, the Treasury figures had been underestimated by about $2 000 000. I assure the Chief Secretary that as a result of my amendment the Government will still receive $6 000 000 in this respect.

The Hon. A. F. KNEEBONE: I cannot accept the Leader's assurance until I have been told something to the contrary by my officers. I still prefer my figures to the Leader's figures.

The Hon. R. C. DeGaris: I have worked out my own figures, whereas the Chief Secretary relies on someone else's figures.

The Hon. A. F. KNEEBONE: Although I am not too bad on figures, I would not put myself up against the experts.

The Hon. R. C. DeGaris: I would—at any time you like.

The Hon. A. F. KNEEBONE: I would not do so at any time. I still oppose the amendment. The Leader talks as though $900 000 is only a small amount, yet he criticised the Government recently for spending only $7 000 on something. To my way of thinking, this is a large sum for the Government to lose in revenue, the receipt of which was forecast in the Budget that has just been passed. I therefore strongly oppose the amendment.

The Hon. R. C. DeGARIS: Can the Chief Secretary give me any reason why stamp duty on life assurance premiums collected in this State should be between five and six times higher than that on premiums collected in New South Wales and Victoria? Is there any justification for that type of taxation on people's savings and protection?

The Hon. A. F. KNEEBONE: South Australia has not got the avenues of taxation to counterbalance this sort of thing as has, say, New South Wales or Victoria, which have a bigger population and other avenues of taxation. They are therefore more able to balance their Budgets than is South Australia. It is unfortunate, because of the present climate, that the Government must increase taxation. No-one, least of all the Government, gets any joy from doing so. However, the Leader and his colleagues seem to be doing their best to make it as difficult for the Government as they can.

The Hon. Sir Athur Rymill: You could decrease your expenditure.

The Hon. A. F. KNEEBONE: The Government has already done so.

The Hon. Sir Arthur Rymill: Such as by cutting out the $200 000 for Trades Hall!

The Hon. A. F. KNEEBONE: The Leader wants the Government to do what his counterpart in another place wants us to do: retrench.

The Hon. Sir Arthur Rymill: What about the $200 000 for Trades Hall?

The Hon. A. F. KNEEBONE: That has not been passed yet.

The Hon. R. C. DeGaris: But it is on the way.

Amendment negatived.

The Hon. R. C. DeGARIS: I do not intend to proceed with my amendment to strike out paragraph (*b*).

Clause passed.

Clauses 7 and 8 passed.

Clause 9—"Amendment of second schedule of principal Act."

The Hon. R. C. DeGARIS: I move:

In paragraph (*b*) to strike out "$18 000" first occurring and insert "$30 000"; to strike out "$18 000" second occurring and insert "$30 000"; to strike out "$50 000" first occurring and insert "$80 000"; to strike out "$300" and insert "$600"; to strike out "$18 000" third occurring and insert "$30 000"; to strike out "$50 000" second occurring and insert "$80 000"; to strike out "$100 000" first occurring and insert "$150 000"; to strike out "$1 260" and insert "$2 100"; to strike out "$50 000" third occurring and insert "$80 000"; to strike out "$100 000" second occurring and insert "$150 000"; to strike out "$3 010" and insert "$4 550"; and to strike out "$100 000" third occurring and insert "$150 000".

In my second reading speech I said that I would vote against clauses 9 and 10, and I asked the Government whether it would accept some amelioration of its excessive demand in connection with stamp duties on conveyances. This Government cannot justify an increase in stamp duties to a point where they are in some cases almost double those of New South Wales and Victoria and 2½ to three times as high as those in Western Australia, Queensland and Tasmania. The existing rates are already the highest in Australia, without these amendments. On a land transfer of $20 000 the stamp duty in Victoria is $400; in New South Wales, $235; in Western Australia, $275; in Queensland, $250; in Tasmania, $282; and it is proposed that in South Australia it will be $360. So, Victoria is the only State ahead of us in this respect.

Most young people in South Australia trying to buy a house at present are faced with the problem of high interest rates and high costs, and they will now be faced with the problem of increased stamp duties. On a land transfer of $40 000, in Victoria the cost is $800; in New South Wales, $700; in Western Australia, $575; in Queensland, $500; in Tasmania, $582; and the proposed cost in South Australia is $960—the highest figure in Australia and

about 20 per cent higher than in Victoria. On a transfer of $100 000, in Victoria the cost is $2 000; in New South Wales, $2 000; in Western Australia, $1 475; in Queensland, $1 250; in Tasmania, $1 482; and the proposed cost in South Australia is $3 010—50 per cent higher than that in Victoria and New South Wales and more than double the costs in Western Australia, Queensland and Tasmania.

These increases in land transfer fees are completely unjustifiable and indicate the grasping fingers that this Government has in relation to taxation measures. On a transfer of $40 000, the proposal in the Bill is for duties of $960, whereas my amendment is for $900; on a transfer of $60 000, the proposal in the Bill is for duties of $1 610, whereas my amendment is for $1 500; on a transfer of $80 000, the proposal in the Bill is for duties of $2 310, whereas my amendment is for $2 100; on a transfer of $200 000, the proposal in the Bill is for duties of $7 010, whereas my amendment is for $6 550.

The actual effect of my amendment on the revenue of the Government is minimal, but it gives some relief to a position where in many cases we would be levying double the stamp duties applicable in the large States and almost treble those applicable in other States. The reduction involved in my amendment would cost the Government about $250 000 in a full financial year. So, it is virtually giving nothing away. In this respect we do not want to be the pace-setter.

The Hon. A. F. KNEEBONE: It gives us no joy to be the pace-setter in this respect, but these increases are forced upon us.

The Hon. R. C. DeGaris: If we knock out the Trades Hall Bill it will save the amount of the reduction. I am showing you how we can co-operate.

The Hon. A. F. KNEEBONE: I have no confidence that this Council would ever pass a Bill that assisted the Trades Hall in any way. I have never heard any Opposition member here vote for a Bill that would assist the Trades Hall.

The Hon. R. C. DeGaris: Did all your members donate toward the building of the Trades Hall?

The Hon. A. F. KNEEBONE: Yes.

The Hon. R. C. DeGaris: So did I. Why not do it that way, instead of calling on the public of South Australia?

The Hon. A. F. KNEEBONE: We are discussing amendments to the Bill now before the Chair. The Leader says that his amendments amount to a reduction in revenue of $250 000.

The Hon. R. C. DeGaris: What do you say they amount to?

The Hon. A. F. KNEEBONE: In the conveyancing area the Leader has suggested variations to the valuation scale, the major variation being to increase the maximum level of the base scale from $18 000 to $30 000. This amendment is designed to assist young families who are seeking to own their first home, and I commend it. The Government, in framing this legislation, is also conscious of this need, and for that reason proposes no duty increase up to $18 000 and the increased duty in the next valuation level applies only to that portion of the property above $18 000. On this basis a young couple purchasing a home valued at $24 000 would pay an additional $30.

Whilst the Government regrets the need to impose that payment, it nevertheless has little alternative in the present financial situation, bearing in mind that estimated revenue from conveyances for 1974-75 has been based on the expectation that the level of business would continue at about the 1973-74 level. This has not eventuated, and in fact the level of business is currently running well below the 1973-74 level which prevailed at the time the Government introduced its Budget.

The Hon. R. C. DeGaris: It will go down further as a result of this Bill.

The Hon. A. F. KNEEBONE: How does the Leader work out his estimate of $250 000? There is no guarantee what the situation will be as regards conveyancing.

The Hon. R. C. DeGaris: How do you work your figures out?

The Hon. A. F. KNEEBONE: You have always said that we are conservative. You are the conservative one. I am opposed to the amendment, and I ask the Committee to vote against it.

Amendment negatived; clause passed.

Clause 10 passed.

Clause 11—"Amendment of second schedule of principal Act."

The Hon. C. M. HILL: I move:

At the end of the clause to insert "which duty may be denoted by an adhesive stamp".

This refers to the $4 charge introduced by the Government in respect of the discharge or partial discharge of a mortgage. I previously referred to representations made by the Associated Banks. They thought benefits could be obtained for their clients if, when a mortgage was discharged, an adhesive stamp could be used instead of documents having to be forwarded to the appropriate office to have the $4 duty impressed on the document. I could not understand the Minister's objections when he replied to my suggestion in the second reading debate. He said the Government could not accept it, that the Government was acting on the advice of a senior public servant.

The Hon. Sir Arthur Rymill: Nearly all mortgages would be registered.

The Hon. C. M. HILL: Yes. This seems a simple process, and inexpensive from the point of view of clients. A charge is levied on the client for the delivery by hand of documents to the Stamp Duties Office and that will no longer be required if an adhesive stamp can be used. It is simple, inexpensive and is in the interests of the people concerned. The Minister in opposing my suggestion referred to people who tried to dodge the duty in respect of equitable mortgages. He suggested they would try to dodge the duty in respect of other mortgages. I do not believe that will be so. I have never experienced it. I refer to the simplicity of this method. In the interests of people who have borrowed money, and this includes thousands of people, the Government should accept this amendment.

The Hon. J. C. BURDETT: I strongly support the amendment. Everything the Hon. Mr. Hill has stated is true. The Minister said that duty is avoided on unregistered mortgages. That will still be the case. Mortgages left in the drawer and not stamped unless they are needed will still be left there until they are needed. There is no point in that argument. Making the stamps of an impressed nature rather than of an adhesive type is of no benefit either. There is a cost in stamping and the principle has been accepted for some time that there should be little expense attached to the discharge of a mortgage. There is merit in saying that full registration fees and appropriate stamp duties should be paid on a mortgage, but when a mortgage is paid off the person involved should be able to obtain a discharge with the minimum expense.

In many cases the cost of having a stamp impressed will be greater than the $4 stamp duty. That is an unacceptable impost, and we have not had it for some time. It is a

good concept that when obtaining a mortgage a person pays the full cost and stamp duty. Then, if the person seeks to go to the trouble of having it discharged, especially in the case of the little man, he should be able to have the mortgage discharged, having paid a duty to start with, with a minimum of expense. To pay $4 stamp duty is fair enough, if the Government wants it. The expense will be incurred in all cases, no matter where it is done.

The Hon. R. C. DeGaris: The cost of $4 could be doubled.

The Hon. J. C. BURDETT: Yes, or more. There are expenses if documents have to be taken to the Stamp Duties Office. That is an improper impost on the consumer.

The Hon. R. C. DeGaris: What about the delay?

The Hon. J. C. BURDETT: True, there would be some delay. The delay for a person in Ceduna could be about 14 days if he had to wait for an impressed stamp. I cannot understand a Government, which talks about consumers and the small man, and which requires not only a $4 stamp duty on a discharge; it allows many increased expenses to be borne by these people. Yet the Hon. Mr. Hill has suggested a perfectly simple and practical measure so that the Government can still obtain its $4 stamp duty, while no additional expense is incurred. The Government has not put up any valid reason against the amendment.

The Hon. F. J. POTTER: There are some things that should be done with a minimum of fuss, and this is one of them. I do not understand why the Government is unwilling to agree to the Hon. Mr. Hill's amendment. For many years when it was necessary to put stamps on the receipt for the discharge of the mortgage it was done by means of adhesive stamps. If it could have been done then, I think it could be done now. Apart from the difficulties involved for country people who would have to wait for some days to get their documents back with the impressed stamp, even here in the city anyone who has been to the Stamp Duties Office and has seen the ever-growing queue there (it is one of the most frustrating places in which to wait to get a document stamped) would understand that we would not want to add discharges of mortgages to the mountain of documents going over the counter every day.

As to the objection that some unregistered mortgages are not going to pay the duty, nothing can ever stop that. There might be mortgages that had never had the original duty put on them anyway, much less the duty on the receipt. This seems to me a theoretical argument from some senior public servant who obviously has had very little practical experience of the day-to-day commercial life in this city.

The Hon. A. F. KNEEBONE: Our experience in other areas with adhesive stamps is that people constantly put the wrong stamp values on documents. Such documents would be thrown out by the Lands Titles Office if there appears to be a wrong stamp valuation in adhesive stamps. It is not a saving for documents to be thrown back from the Lands Titles Office, requiring them to be re-presented, because they must be taken back to the Lands Titles Office for reassessment and they must be taken out to get restamped. It would be more simple to get them stamped in the Stamp Duties Office, then take them on to the Lands Titles Office. That is the view of the Commissioner of Taxes.

The Hon. R. C. DeGaris: And the Premier?

The Hon. A. F. Kneebone: And the Premier.

The Hon. R. C. DeGARIS: Perhaps I can understand from that exchange that the Premier thinks it is the opinion of the Commissioner of Stamps and did not think for himself. The suggestion that the wrong adhesive stamp will be put on a discharge of mortgage where the charge is $4 is complete and utter nonsense, especially when the documents are required to be certified correct by a solicitor or a licensed land broker. It would not be long before these people were thoroughly familiar with the necessity for a $4 stamp on a discharge of mortgage.

The Hon. F. J. Potter: When it was 2c for everything I am sure they did not make mistakes.

The Hon. R. C. DeGARIS: Of course not. Much nonsense has been talked about this matter by the Chief Secretary, although I do not blame him, because he has got his riding instructions. If a person is bent on avoiding duty on the discharge of a mortgage it will not make any difference whether the stamps are adhesive or impressed. The question of mistakes occurring in relation to wrong stamping will not arise, for the reasons I gave earlier. In relation to efficiency and ease of getting things done, the adhesive stamp has so much in its favour that the comparison is not worth making. The Hon. Mr. Burdett mentioned a person in Ceduna who must forward his documents to Adelaide. It could be a fortnight before they got back to him, and it would involve a tremendous increase in cost, including postage, and a service charge by people acting on his behalf in Adelaide. It could cost $10, $12 or $15. In my opinion, the argument put forward by the Chief Secretary against adhesive stamps is not valid.

The Hon. Sir ARTHUR RYMILL: Practising lawyers in this Chamber have been vehement about this matter. As a former practising lawyer I feel equally vehement because I have done an immense amount of conveyancing in my time. Since then, or overlapping that period, we have had Acts of Parliament bringing all land in the State under the Real Property Act. I know some land still remains under the old system, but not very much. If a mortgage is under the Real Property Act it must be presented at the Lands Titles Office, and the officers there would be the first people to pick up improper stamping. Whether it is an adhesive stamp or an impressed stamp does not matter if the document is a Lands Titles Office document.

If it is an old system or an equitable document that is not registrable, the discharge will not be valid unless it is stamped. Anyone who pays off his mortgage and does not see that there is a stamp on the discharge is a total idiot, because a substantial sum of money is involved. It is up to the mortgagor to see that his document of release is properly stamped. The mortgagor is going to ask for a proper discharge and he will see that it is properly stamped, whether it is registered or not.

As a former practising lawyer I give my total support to the practising lawyers who have talked about this, because if the Government lost $100 revenue by accepting this amendment that would be all it would lose. I have personally had to attend at the Stamp Duties Office several times in the past few years. They are good officers and they work well, but they have rush hours. If they were not under-staffed at rush hours they would be over-staffed at other hours. There is a big waiting time at rush hours, helpful as they may be. This involves expense; everyone charges for time. If the Government insists on opposing this amendment I shall be most disappointed, because it is only adding to the costs involved.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

Later:

The House of Assembly intimated that it had agreed to the Legislative Council's suggested amendment.

NATIONAL PARKS AND WILDLIFE ACT AMENDMENT BILL

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

The Hon. T. M. CASEY (Minister of Agriculture): I move:

That this Bill be now read a second time.

Over the past 2½ years since the National Parks and Wildlife Act, 1972, was passed by Parliament many lessons have been learnt in the fields of conservation and environmental protection. The Act which represented the first move to rationalise fauna and flora protection in this State brought together for the first time in a single piece of legislation the many provisions that formerly existed in a number of separate Statutes. Many of the conservation measures that have been in operation in South Australia for several years are only now being adopted by other States, and I think it is true to say that South Australia leads the field in conservation legislation.

Experience over the past 2½ years has shown that certain provisions of the Act need extending or modifying to ensure that the original intention of the legislation is being achieved. In other areas, experience has shown that there can be an easing of certain requirements of the Act particularly in relation to the keeping and sale of a number of species of birds of avicultural interest without any loss in the effectiveness of the legislation. The Bill also includes a new Part dealing with the control of hunting which honourable members will recall previously failed to pass the last session of Parliament.

The hunting provisions of this Bill should not be confused with proposed amendments to firearms legislation which are still under consideration. These provisions relate purely to the hunting of animals and its effective control through a permit system, with the provision that revenue derived from this source will be channelled back into wild life conservation. Honourable members, particularly those who represent country electorates, will be aware of the problems being caused to landowners by unauthorised hunters. Stories of damage to troughs, tanks, windmills and other property, of gates left open and of stock being harassed or even killed are all too common. This Bill expands the private land provisions of the Act to give the landowner further protection from the depredations of the careless shooter or frustrated hunter prepared to shoot anything in sight.

At this time it had been hoped to introduce amendments to Part IV of the principal Act dealing with the conservation of native plants and wild flowers. However, many difficulties have been encountered in drafting suitable measures to afford the necessary protection to native vegetation, and further work will be necessary before these matters can be introduced. Clauses 1 to 4 are self-explanatory. Clause 4 amends a number of definitions in the principal Act, and the definition of protected animal is extended to include migratory animals that occasionally come to Australia. New definitions of "threatened species" and "hunting" are also included.

Clause 5 provides additional measures in relation to the protection of the natural values of land which is compulsorily acquired under the principal Act. Where a notice of intention to acquire land has been issued, the Minister may instruct wardens to protect the land from damage in the interim period before acquisition is completed. This provision has been included because of threats that have been made that natural vegetation would be destroyed if any move was made by the department to acquire certain lands for national parks purposes. Clause 6 provides for moneys derived from any sale of animals and birds that the Minister is authorised to make in pursuance of powers conferred by the principal Act to be paid into the Wildlife Conservation Fund. A similar provision is included for revenue derived from hunting permits to be paid into the fund for the conservation of wild life and land for wild life habitat or for research into problems relating to the conservation of wild life.

Clause 7 provides for the appointment of a Secretary to the National Parks and Wildlife Advisory Council. Clause 8 amends the powers of a warden to include entry into places where prohibited animals are kept. This clause empowers a warden to take assistance with him when exercising the powers conferred by the principal Act. Clause 9 extends the powers of a warden to confiscate objects that have been used in the execution of offences under the principal Act. Where a living animal is seized, a warden is empowered to release it from captivity. This provision is necessary to ensure that, in the event of freshly trapped birds and animals being detected, they can speedily and safely be returned to the wild without the risk that is inherent in the subsequent release of aviary-dependent birds. Clauses 10 and 11 make minor amendments to the provisions relating to sanctuaries to provide better protection to the landowner whose property constitutes the sanctuary.

Clause 12 provides for an increase in penalty for taking a protected animal of rare or threatened species to $1 000, or imprisonment for six months. Clause 13 amends the provision relating to an open season to provide that the open season does not apply within a sanctuary. Clause 14 limits the power to take a poisonous reptile to a power to kill it if it has attacked, is attacking or is likely to attack any person. In all other respects poisonous reptiles will now be treated as protected animals. This measure has proved necessary because of the extensive trading in these animals for profit to the detriment of the status of these animals in the wild. Clause 15 inserts new provisions into the section of the principal Act dealing with the keeping and sale of protected animals. The effect of these provisions is to require a person who asserts that he is protected by section 92 of the Constitution to assume the burden of proving that the act with which he is charged was done in the course of interstate trade or commerce.

Clause 16 amends the provisions of section 59 of the principal Act in an attempt to overcome objections that might be raised to them under section 92 of the Constitution. Clause 17 expands the provisions of the principal Act relating to illegal possession of protected animals to cover the case where an animal is taken in contravention of the law of some other State or Territory of the Commonwealth. Clause 18 expands the provisions relating to the use of poison to ensure that due precautions are exercised to avoid endangering protected animals. Clause 19 makes minor amendments to the provisions relating to illegal devices. Clause 20 expands the provisions relating to the molestation of animals. Clause 21 inserts a new Part dealing with hunting. This new Part comprises the provisions formerly included in a Bill that failed to pass in the last session of Parliament. In addition, provisions relating to hunting on private land are included in the new Part.

Clause 22 grants a power to the Minister to revoke a permit on the ground that it is in the interests of conservation to do so. A similar provision formerly existed in the repealed Fauna Conservation Act. An example of the need for such a provision would be a situation where a permit to take protected animals, for example, kangaroos, had been granted, and where, because of altered or unusual climatic conditions, it was no longer desirable that these animals be taken. Clause 23 expands the provisions of the principal Act relating to contravention or failure to comply with a condition of a permit so that the holder of the permit is vicariously liable for the action of a servant or agent.

Clause 24 removes any doubt that may arise in relation to the intent of section 74 of the principal Act in relation to additional penalties. Clause 25 inserts new evidentary provisions reversing the onus of proof in respect of allegations that a person is a warden, that an animal is a protected species or that an animal is of a specified species. Clause 26 inserts a new provision enabling the Governor to prescribe differential fees for permits. Clause 27 includes new schedules of rare species, threatened species and unprotected species.

The Hon. A. M. WHYTE (Northern): I know something of the history of this Bill, which I support. It has been introduced to assist in the conservation of wild life and generally to give those who are interested in conservation further power to protect wild life on their properties. It is interesting for one to look at the history of conservation. Although South Australia may be leading in this field, it was not so many years ago that the Conservation Foundation was formed in this State. At that time some conservationists were surprised to find that people whom they had previously been condemning as the greatest threat to fauna and flora were amongst the first to join the foundation and, indeed, played an important part in the formation of legislation such as this, which the Minister claims to be the leading conservation legislation in Australia.

This legislation has been discussed at length by officers of the National Parks and Wildlife Commission as well as by various pastoral and landholder organisations. The Bill gives departmental officers and landholders further power to protect the State's fauna and flora. I have little to say about the Bill, except to commend most aspects of it to honourable members. Following so quickly on the Minister's second reading explanation, it is hard for me to take advantage of what the Minister said.

The Minister has said that clause 5 gives the department the right to protect land that has been acquired for national parks. The Minister has also been given the right to bring in his officers to ensure that land is protected until it has been declared a national park. Clause 6, which comes under Part VA of the Bill, provides for a fee that will be charged for a hunting permit. This money, together with that received from the sale of any confiscated goods and from lands presently administered under the Act, is to be paid into the Wildlife Conservation Fund. Various groups that have contributed to the legislation have said that such a fund should be established for the purpose of furthering the protection of wild life and for a possible increase in national park activities, and I think it is a good provision.

Clause 8, which inserts new subsections (4) and (5) in section 22 of the Act, provides that a warden may request any suitable person to assist him in the exercise of his powers under the Act and that a person, while assisting a warden in response to a request for assistance by him, shall have, and may exercise, all the powers of a warden under the Act. I wonder whether this is taking the legislation further than is necessary, as under the principal Act a warden already has a right to impose a severe fine on any person who fails to comply with his wishes or who has refused to give him information that he requires. From my experience, the type of person with whom the warden would be dealing would think twice about affording any resistance because of the possibility that a fine would be imposed. To grant a warden power to call on persons to assist him seems to be taking the matter further than is necessary. However, this is not a point on which it is necessary for one to reject the Bill.

Clause 10 gives the Minister power, where the owner of private land that has been constituted as a sanctuary requests that the land should cease to be a sanctuary, to revoke the declaration under which it was declared a sanctuary. That is very good, but I cannot see that it is very different from the provision in the principal Act which states:

44. (1) If the Minister is of the opinion that it is desirable to conserve the animals or plants for which any land is a natural habitat or environment and—

(*a*) where the land is reserved for or dedicated to, a public purpose, the person to whom the care, control and management of those lands have been committed has consented to a declaration under this section; or

(*b*) where the land is private land, the owner and occupier of the land have consented to a declaration under this section,

the Minister may by notice in the *Gazette* declare the land to be a sanctuary.

(2) The Minister may, and at the request of the owner of private land constituting a sanctuary shall, revoke a declaration under this section.

So, I cannot see that there is any real difference in this Bill. Clause 12 increases the penalty by 100 per cent, so that it is in line with the current inflation rate. Clause 14 provides:

Section 54, of the principal Act is amended—

(*a*) by striking out from subsection (1) the passage "to take" and inserting in lieu thereof the passage "to kill".

Section 54 of the principal Act provides:

It shall be lawful for any person without any permit or other authority under this Act, to take any Australian magpie that has attacked or is attacking any person.

That section has been altered to provide that a person has a right to kill a magpie, but the person must not take a magpie. Section 54 (2) of the principal Act provides:

A person shall not sell an Australian magpie, taken pursuant to this section.

That provision is to be struck out and the following new subsection inserted:

It shall be lawful for any person without any permit or other authority under this Act, to kill any poisonous reptile that has attacked, is attacking or is likely to attack, any person.

If we remove clause 14 entirely from the Bill we will leave the principal Act as it is in this respect, and let us remember that it allows a person to ward off a vicious magpie: it does not say that the person can kill it. It says that a person can take a magpie, but I do not know where the person is expected to take it. The Bill provides that a person can kill a magpie, but he must be very careful what he does about venomous snakes. This provision spoils what otherwise is a practical and necessary piece of legislation.

There is no doubt that snakes appear in certain districts and in one season they may be plentiful, but then a person may not see them to be so plentiful for a long time. A young couple in my district have wonderfully stout hearts.

They have taken up a scrub block and built a splendid home there. The other day the young wife was telling me that last summer they averaged one snake a day at the homestead. She said that this year there were not so many snakes. Last year she was too frightened to touch the snakes, but this year she is willing to kill each one, because she found a death adder coiled up between her two small children. I do not believe that the provision connected with the protection of snakes is necessary.

Perhaps the Bill was misunderstood in the press, where it was suggested that legislation would be introduced prohibiting the eating of snakes. It looked like a case of a snake-eating man against a man-eating snake, but this Bill does not have the effect that the press report suggested it would have. I sometimes wonder how long people who design these Bills have spent in the bush. The snake is one of the main factors in the diminution of the small bird population. There is no creature as capable of eating small birds and eggs as is the snake. There is no provision relating to special treatment for ground birds. The robins and the blue wrens, which never rise far off the ground, are very easy prey for snakes. I hasten to add that I have great respect for conservationists, and I spent some time in the bush with the person who designed this Bill, but at that time he did not mention anything about protecting poisonous snakes; if he had, I would not have agreed with him.

Snakes are fairly evil creatures. The Hon. Mr. Geddes has just reminded me about Adam and Eve, and perhaps I should mention Saint Patrick. We have a Bill designed by a man whose name is Brian, and it has been introduced by a Minister whose name is Casey, and they are talking about protecting snakes! Let us remember the time that Saint Patrick spent getting them out of Ireland. Snakes have never been regarded with any great favour in any society. We will not eliminate poisonous snakes through eating them; this may be a passing fancy like witchetty grubs but they have not been eliminated. I have been told that tiger snakes are priced at up to $500 in the Middle East. What a wonderful way to capitalise on tiger snakes, if this market really exists.

I suggest that clause 14 be deleted in the Committee stage. If that is done, I believe the Bill will be satisfactory, although I understand other minor amendments are being considered by other honourable members in respect of hunting licences. I am pleased to see the power provided by the Bill to landholders to control the type of person we now find on properties, who shows no respect for the person involved, his property, the fauna and flora or anything else. The right is provided to question people and, if they have firearms, to ask whether they have permission to shoot on the property. This meets with my approval.

I have had experience with people in such incidents, and I have suffered loss as a result of their indiscriminate shooting of stock. I have had stock wounded, and troughs, tanks, and gates are no longer sacred to the type of person who drives around without any concern for other people's property. The Bill gives power not only to landowners but also to wardens. What are almost vigilante groups have been established to deal with people seen on neighbouring properties when it is known that the owner is away. We then ask a shooter if he has permission to shoot on the property. The failure to seek permission in this respect is one of the lapses of courtesy that is becoming more predominant among people who go out from expanding towns seeking a night's hunting.

Once, practically all people entering a property, be they hunters or picnickers, called at the homestead for permission to enter the property. They were usually told where the stock was and where they could go without disturbing the stock. Landholders knew that people who reported to the homestead would not cause any damage, and often such people reported back to tell of a broken or damaged gate. The Bill provides power to deal with people who do not want to play the game, who do not respect their heritage, and who do not respect other people's property. With the exception of clause 14, I am pleased to support the Bill.

The Hon. V. G. SPRINGETT (Southern): I should like to bring to the attention of honourable members a situation I experienced earlier this year in East Africa, where much good game hunting can be found. Some species were in danger of being wiped out until national parks and habitats for the animals were provided. In a certain town in the south-eastern part of Ethiopia, at 8 p.m. every day a man feeds the hyenas. However, these are not tame animals: they run wild in the nearby bush and forest, but every night they came to be fed. The man sits on a stone with a bag of offal and offers it over his shoulder to the animals to take. I saw him turn his face towards a hyena as the animal ate from his hand. It is not that the animals are trained, but this example illustrates that they attack only when they are hungry, mainly at the end of the dry season. In this area, the animals are not allowed to get hungry, and thereby are comparatively harmless.

About 100 km down the road there is the village of Awash. Between Awash and Gewani is the Awash national park. All types of species can be seen here. I travelled through the national park at 10 o'clock in the evening and was conscious of the gleaming eyes in the bush, as well as the speed with which some of the animals crossed the road, with other lumbering animals following after them. It is interesting that developing countries such as Ethiopia have national parks, and it behoves us as a progressive, so-called advanced society to ensure that we have adequate protection of animals, fauna and flora if we are to secure for our children and their future activities experience amongst the creatures that are in danger of being lost forever if care is not now taken of them.

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

SOUTH AUSTRALIAN RAILWAYS COMMISSIONER'S ACT AMENDMENT BILL

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

The Hon. D. H. L. BANFIELD (Minister of Health): I move:

That this Bill be now read a second time.

It is intended to make three changes to the present provisions relating to the sale of liquor at the Adelaide railway station. As honourable members may be aware, further renovations have been carried out to the Overland dining-room at the station. The Railways Commissioner has proposed that full advantage should be taken of these upgraded dining-room facilities by the introduction of dinner dances open to the general public and the extension of catering services to wedding receptions, private parties and similar functions. By extending the closing hours on Mondays to Saturdays from 10 o'clock in the evening to 12 o'clock midnight, this measure would enable the Commissioner to give effect to that proposal.

Secondly, the Railways Commissioner has proposed that he be able to dispense liquor with meals to passengers on the railways and the general public on Sundays. The

Government considers that this is a reasonable proposal and, accordingly, this measure provides for the sale of liquor to persons taking *bona fide* meals on Sundays beween the hours of half past 11 o'clock in the morning and nine o'clock in the evening—hours that are aligned with arrivals and departures on Sundays.

The Government also considers that the sale of bottled liquor to the considerable number of persons who pass through the Adelaide railway station daily should be permitted. The provision of such a service should be profitable to the South Australian Railways and an added convenience for its passengers. The Bill, therefore, makes provision for the sale of liquor in sealed containers from the Overland Tavern or from a bottle department that is established for the purpose at the station between the hours of eight o'clock in the morning and 10 o'clock in the evening Mondays to Saturdays.

Clauses 1 and 2 of the Bill are formal. Clause 3 amends section 105 of the principal Act to permit the sales of liquor outlined above. Clause 4 amends section 133 of the principal Act by empowering the making of by-laws relating to bottle sales from any bottle department that is established at the Adelaide railway station.

The Hon. C. M. HILL (Central No. 2): I support the Bill. I had an opportunity earlier in this sitting to peruse the Minister's second reading explanation. I wholeheartedly support the proposal to supply bottled liquor from the Overland Tavern. When legislation was introduced in 1969 to permit this, the present Government, then in Opposition, caused that part of the legislation to be defeated. It was able to gain the support of an Independent member in another place. It was against this issue at that time, but now apparently Government members have changed their minds, and I am pleased that they have done so.

I support the right of the tavern to sell bottled liquor. This trade should improve the tavern's profitability, which I believe at present is quite good. The Auditor-General's Report states that Railways Department shops, including the tavern, at the Adelaide station made a profit of $43 000 in the year ended June 30, 1974, while they made a profit of $48 000 in the year ended June 30, 1973. It is an added service not only to railway patrons but also to departmental staff.

The Hon. A. J. Shard: How is the buffet car on the Overland express going?

The Hon. C. M. HILL: It lost $54 000 last year for South Australia.

The Hon. A. J. Shard: It is a very good service.

The Hon. C. M. HILL: But it is running at a loss. It must be appreciated that we subsidise every passenger on the Overland express by $7·07 for each journey.

The Hon. Sir Arthur Rymill: Why are the passengers subsidised?

The Hon. C. M. HILL: I do not know. I would like to see the fares increased. The patronage would not decrease if the fares were increased. It is difficult to book a seat on the train at short notice. We do not want to go deeply into the question of railway losses now, but I point out that the loss for each railway journey in this State is one of the most scandalous stories relating to the railways. The loss is $15·93 for each country passenger journey and 59c for each metropolitan passenger journey.

The Hon. Sir Arthur Rymill: What is the single fare to Melbourne now?

The Hon. C. M. HILL: I do not know.

The Hon. Sir Arthur Rymill: The fare has not increased much for many years, has it?

The Hon. C. M. HILL: No. Just recently country fares and freight rates were increased. I understand that the whole question of railway losses is under review, but the fact that this State is bolstering the railways to the extent of $30 000 000 a year is relevant to the grave financial problems that we have been considering during this sitting.

The Railways Department's loss, including interest charges, last year was more than $29 500 000. It is to such areas that the Government ought to look, instead of taxing the people by the measures we have been discussing during this sitting. I could refer to items connected with the railways that ought to be looked at.

The Hon. Jessie Cooper: Surely the club car is the only liquor-selling outlet in the State that is losing money.

The Hon. C. M. HILL: Yes. One always expects high profits from a liquor-selling outlet. The loss that I mentioned in connection with the club car is not the total loss: it is only South Australia's share of the loss. Victoria must bear its share.

The Hon. D. H. L. Banfield: It is a service to the public.

The Hon. C. M. HILL: And the public is paying for it. However, the Overland Tavern makes a profit now, and there should be increased profit. Not only do the railway patrons benefit from that service but also the workers should be entitled to buy their bottled liquor from the railways instead of having to walk to a bottle department in a hotel.

The Hon. Sir Arthur Rymill: Normally under the Licensing Act there is an obligation in exchange for profit —it is a two-way traffic.

The Hon. C. M. HILL: Yes. The second point deals with the provision of liquor with meals on Sundays in the railway dining-room. This, too, is for the benefit of patrons passing through the station on Sundays. They deserve this service, and it is a service the railways should offer to ensure that our railways compete with the services offered by railways in other States. This brings a modern approach to this area.

The third point is a matter about which I have serious misgivings. We are told by the Minister that alterations are being completed in the dining-room and that the railways now seeks to expand its catering service to include wedding receptions, private parties and similar functions.

The Hon. T. M. Casey: That's an excellent idea.

The Hon. C. M. HILL: I remind the Minister that the Adelaide railway station dining-room and cafeteria lost $99 000 last year. This is typical of the present Government, which taxes people as it has done tonight but, when it is confronted with a loss of $99 000 in the dining-room, and a loss in the previous year of $65 000, it seeks to expand the service in the hope that greater profitability can be achieved, or a better financial result can be obtained.

The Hon. T. M. Casey: As a businessman, you should agree with that.

The Hon. C. M. HILL: The catering service of the railways is a first-class service. I have a high respect for the service it provides and for the senior officers who have been in charge of it in recent years. Whether or not this dining-room will produce a better financial result through the proposed expansion remains to be seen. The Minister of Agriculture may be able to prophesy such matters and believe that he can foresee an immediate profit, but things do not work out like that in business.

I hope that financially the position will be improved. However, my general principle in this type of situation is that it is not the business of an institution such as the railways to cater publicly for wedding receptions, private parties or similar functions. It is best to leave such work to private enterprise, because private enterprise must make things pay. I do not want to press the point too far, because I have a high regard for the service provided in the railways catering section.

Parliament will be entitled to watch this development closely. It will watch it in future to see how the financial position changes. I hope this expansion into wider catering areas will be taken slowly. I hope that the officers involved in the financial control of the expansion watch it carefully to see that expansion is slow so that, if it does not pay and if it does not improve the financial results of the dining-room, consideration can be given immediately to changing the plans approved by this Bill.

In general terms, I think the effect of the Bill will be that there will be an improved service to both the public at large and the patrons of the railways, as well as to railway workers. For these reasons, I am willing to support the Bill.

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

ADELAIDE FESTIVAL CENTRE TRUST ACT AMENDMENT BILL

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

The Hon. A. F. KNEEBONE (Chief Secretary): I move:

That this Bill be now read a second time.

It, to some extent, arises from another measure recently submitted to this House, which absolved the Council of the Corporation of the City of Adelaide from further financial liability in connection with the Adelaide Festival Theatre. As honourable members will be aware, the festival theatre now forms part of the complex administered by the trustees of the Adelaide Festival Centre Trust. While the council had a considerable continuing financial interest in the theatre it was appropriate that it should have a substantial representation on the trust, and in fact the principal Act, the Adelaide Festival Centre Trust Act, gave the council the right to nominate two of the six trustees.

However, since the council will have no further financial commitment in relation to the festival theatre it is now considered appropriate that the direct representation of the council on the trust should be reduced to one. This reduction is effected by the operative clause of the Bill, clause 2, the total number of trustees being retained at six. It is proposed that this change in representation will be effected by bringing this measure into operation at about the time the term of office of the original trustees will expire.

The Hon. Sir ARTHUR RYMILL (Central No. 2): As I thought I had spoken previously to this Bill, I commend it to the Council.

Bill read a second time and taken through its remaining stages.

[*Sitting suspended from* 12.48 *to* 1.35 *a.m.*]

NARCOTIC AND PSYCHOTROPIC DRUGS ACT AMENDMENT BILL

Returned from the House of Assembly with the following amendment:

Clause 3, page 2, line 4—Leave out "and". After line 7 insert paragraph as follows:

and

(*c*) by inserting after subsection (3) the following subsection:—

(3a) It shall be a defence to a charge under paragraph (*e*) of subsection (2) of this section to prove that the defendant did not know—

(*a*) that a substance produced, prepared, manufactured, sold, distributed, smoked, consumed or administered on premises to which the charge relates was a drug to which this Act applies;

or

(*b*) that a plant cultivated on premises to which the charge relates was a prohibited plant,

as the case may require.

ADJOURNMENT

At 2.1 a.m. the Council adjourned until Thursday, November 28, at 2.15 p.m.