LEGISLATIVE COUNCIL

Thursday, August 21, 1975

The PRESIDENT (Hon. F. J. Potter) took the Chair at 2.15 p.m. and read prayers.

RAILWAYS (TRANSFER AGREEMENT) BILL

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

QUESTIONS

FREIGHT RATES

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

Leave granted.

The Hon. C. M. HILL: The leading article in last Thursday's *Australian* highlighted the huge rise in freight rates which, it was stated, would hit exports, particularly of wool, meat and fruit. Those three commodities were said to be the worst affected. The report went on to say that massive freight rate increases of up to 25 per cent on exports to Europe and North America would add hundreds of millions of dollars to costs and force many Australian goods out of world markets. The report continued:

Freight rates on exports of apples, pears, canned fruit, sheep-skins, hides and some manufactured goods to Europe will rise 15 per cent on October 1, and a further 17½ per cent in six months.

The report also stated that talks were due to commence regarding increases in refrigerated and general cargo rates to Japan. My questions, which relate particularly to primary industry in this State, are as follows: first, what is the Minister's view regarding the effects on primary production in this State of such increases; secondly, can any representations be made to the Commonwealth Government or to the Australian Shippers Council regarding this matter on South Australia's behalf; and finally, and most important, will consideration be given to primary producers in the forthcoming State Budget to offset the effects of such freight increases on primary production in this State?

The Hon. B. A. CHATTERTON: Naturally enough, I view the increases with grave concern because of the serious effect that they are likely to have on many of our rural exports. I have not been approached thus far by any people specifically concerned with exports, requesting me to take up the matter with the Federal Government. However, I will certainly look into this matter and raise it at the next Agricultural Council meeting to be held in September or, if not then, in February. I do not think there is much the State Government can do in trying to subsidise or offset these freight rates increases that rural producers will have to pay.

RURAL INDUSTRY

The Hon. J. R. CORNWALL: I seek leave to make a statement before asking the Minister of Agriculture a question.

Leave granted.

The Hon. J. R. CORNWALL: The headline on the front page of this week's *Stock Journal* is "Rural industry will receive $210 000 000 less from this year's Federal Budget." Does the Minister consider that our rural industries are being poorly treated?

The Hon. B. A. CHATTERTON: I think the report is misleading when it says that there has been a $210 000 000 reduction in the sum that rural industries will receive. Specific items comprising that $210 000 000 reduction include a $185 000 000 reduction in the appropriation for wool marketing support. This is only an estimate of what will be required. The Australian Government has firmly stated that it will support the price of 250c for each clean kilo. The estimated reduction of $185 000 000 in connection with that price support indicates what the market conditions are likely to be. The second item making up the reduction is a $37 000 000 reduction in connection with the fertiliser bounty, an item that has been widely discussed and was announced more than 12 months ago. The third and smaller items of $7 700 000 relate to the phasing out of the dairy bounty. So, to say that $210 000 000 has been slashed off rural support in the Budget is just not true.

FERTILISER INDUSTRY

The Hon. D. H. LAIDLAW: I seek leave to make a short statement before asking a question of the Chief Secretary, representing the Premier.

Leave granted.

The Hon. D. H. LAIDLAW: The Commonwealth Minister for Agriculture (Senator Wriedt) is reported to have said that the Australian Government would determine within three weeks whether to restore the superphosphate bounty. Senator Wriedt made his statement in reply to Senator Jessop, who said that more than 1 000 workers had been retrenched in the fertiliser industry in Australia.

Honourable members will recall that the Industries Assistance Commission, as a result of an inquiry instigated by the Prime Minister, recommended the reintroduction of the bounty, but some earlier reports suggested that only one Minister in the Labor Cabinet supported the proposal. This attitude, if correct, is typical of the continued indifference of the Australian Government towards the man on the land. It is terribly shortsighted because, when farmers are deprived of their purchasing power, a chain reaction occurs and secondary and tertiary industries and their employees are affected.

This has happened in South Australia in the fertiliser industry, a decentralised industry. Adelaide and Wallaroo Fertilizers Limited, the largest local company in this field, has had to retrench over 200 men from its factories at Birkenhead, Port Lincoln and Wallaroo, partly due to removal of the bounty. Many more would have been dismissed but for the efforts of management to diversify into industrial chemicals. These retrenchments are significant in Port Lincoln and Wallaroo, which already have about 350 and 200 people respectively registered as unemployed.

Will the Premier inform the Australian Government as a matter of urgency that restoration of the bounty will help restore employment at Port Lincoln and Wallaroo, since it is stated Labor Party policy to encourage decentralisation in areas of unemployment? Further, what initiatives will the South Australian Department of Development take in order to help the fertiliser industry diversify into other worthwhile fields?

The Hon. D. H. L. BANFIELD: I will refer the honourable member's questions to my colleague and bring down a reply.

RECLAIMED WATER

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

Leave granted.

The Hon. M. B. DAWKINS: My question relates to an often-mentioned subject (I would be one of the chief offenders in this respect, if I can be described as such)—

the subject of recycled water and the lack of use of large amounts of such water running to waste every day. Honourable members will know of my interest in this subject and of the great need to use these large amounts of water. Protracted experiments to test the water for safety and usage have, to my knowledge, been completed for some time. Has the Minister anything more to report on further developments toward adequate use of the water, and can he say what extensions are being made in connection with further underground channelling (which would appear to relate to this project) at Heaslip Road, south of Angle Vale?

The Hon. B. A. CHATTERTON: No, I have not any reports on the current situation, but I will seek one and bring it down for the honourable member and, as I have no indication of what activity is being undertaken at Heaslip Road, I will let the honourable member know as soon as possible.

VOTE VALUE

The Hon. N. K. FOSTER: I wish to direct a question to the Leader of the Opposition. In view of the Leader's apparent interest in the one vote one value principle, and his continued assertion in this Council that it was his Party and an associate Party which introduced that concept, will he make available to honourable members of this Council the records to prove that? If the Leader is unable to do so, honourable members on this side of the Council can only conclude that this is only one of the many other myths that he has created in this Council.

The PRESIDENT: Your question is whether the Leader will do so?

The Hon. N. K. FOSTER: Yes.

The Hon. R. C. DeGARIS: I am only too willing to advise the honourable member.

The Hon. N. K. Foster: The question was, will you make them available to the Council?

The Hon. R. C. DeGARIS: How many questions does the honourable member want answered? The first point I make is that the one vote one value principle, which I defined in my speech in the Address in Reply debate, was introduced in 1973, I think, when an associated Bill was introduced. I refer the honourable member to part of that speech and what I meant by that, and I will refer again to this matter when I conclude my Address in Reply speech. Secondly, we introduced an amendment to the adult franchise legislation under the list system of proportional representation, which would have also produced a one vote one value situation. The third time occurred when legislation was introduced to this Council in relation to a change from the "droop" quota to a "natural" quota for proportional representation that would have brought, as close as possible, a situation of one vote one value representation. I advise the honourable member to read *Hansard*: it is all there.

CYCLONE DAMAGE

The Hon. J. A. CARNIE: I am not sure whether my question should be directed to the Minister of Agriculture or to the Minister of Lands, but I seek leave to ask my question, and perhaps during the explanation this can be determined.

Leave granted.

The Hon. J. A. CARNIE: On January 6 this year there was a mini cyclone, as it was described, which swept through the New Residence area of the Riverland. Damage at the time was estimated to be more than $200 000, but it is still not known whether fruit trees and vines will yield a normal crop this year as a result of the hail damage they suffered. This storm occurred two weeks after cyclone Tracy devastated Darwin, an event which, rightly, aroused the sympathy of all Australians. While the damage at Darwin was collectively much greater, to individuals the losses incurred were no less at New Residence than at Darwin. Darwin has received aid in huge amounts, but I understand that no Government grants were made to the growers of New Residence. Can the Minister say why no grants were made to these people; secondly, will the Government, even at this late stage, reconsider its decision?

The Hon. T. M. CASEY: I will look at the situation. The question is one for the Minister of Lands, who administers the Primary Producers Emergency Assistance Act, under which benefits can be derived. It seems unusual that at this late stage the matter has not been brought to the notice of the Government, thought it could well have been brought to the notice of the previous Minister. Nevertheless, I shall look at the situation and inform the honourable member. In South Australia in the past 18 months, to my knowledge, we have had other cases where natural causes have created great hardship to individual growers, and the people concerned have received quite substantial benefits through the Primary Producers Assistance Fund and other similar Government grants.

HOPE VALLEY ROOF

The Hon. J. C. BURDETT: Has the Minister of Lands a reply to the question I directed to the Minister of Works on August 5 regarding a roof at Hope Valley?

The Hon. T. M. CASEY: My colleague states:

The roof is constructed of heavily galvanised iron. Experience has shown that weather soon dulls the surface and it is considered that the high cost of painting could not be justified. At the present time, there is some glare in the late afternoon on sunny days, but it is anticipated that within about 12 months the problem will be eliminated.

PHOSPHATE FERTILISER

The Hon. A.M. WHYTE: My question is directed to the Minister of Agriculture, representing the Minister of Mines and Energy, and I seek leave to make a short statement.

Leave granted.

The Hon. A. M. WHYTE: World authorities claim that supplies of phosphate fertiliser will play a major role in the near future in the survival and sustenance of mankind. These supplies are rapidly dwindling and are extremely expensive to keep producing. At Mount Isa we have a known quantity of phosphate rock, but unfortunately the production of that rock is more costly than the price of the imported rock from Nauru, despite the steep increase in prices over the past 12 months. Geologists believe there is a possibility that phosphate rock may lie in the Lake Torrens area because of the geological structure of the rock strata there. Will the Minister ascertain from his colleague whether the Mines Department in this State has a programme to investigate this or any other area in South Australia?

The Hon. B. A. CHATTERTON: I will refer the honourable member's question to the Minister of Mines and Energy and bring down a reply as soon as possible.

CATTLE DISEASES

The Hon. J. R. CORNWALL: I seek leave to make a brief statement prior to addressing a question to the Minister of Agriculture.

Leave granted.

The Hon. J. R. CORNWALL: The Federal Treasurer in the Budget speech announced that the Government had allocated $8 200 000 for bovine tuberculosis and brucellosis control. Some industry leaders are saying this is not enough. Can the Minister of Agriculture say whether $8 200 000 is sufficient to carry on this vital eradication programme?

The Hon. B. A. CHATTERTON: The $8 200 000 that has been allocated in the Budget is an increase in this programme, but certainly it is not sufficient to carry out the programme at a desirable level. The Government some time ago referred the whole matter to the Industries Assistance Commission, which brought down a report recommending a considerable increase in expenditure for the tuberculosis and brucellosis eradication campaign. The Australian Government has not yet made a final decision on the recommendations of that report, and the $8 200 000 that has been allocated in this Budget can really be considered an interim measure until a final decision has been made on the recommendations of the Industries Assistance Commission.

MONARTO

The Hon. M. B. DAWKINS: On August 6, I asked the Minister of Agriculture a question about Monarto. Has he a reply?

The Hon. B. A. CHATTERTON: The Special Minister of State for Monarto and Redcliff reports that the financial situation has resulted in the restricted programme for the Monarto Development Commission for 1975-76. This necessitates the deferral of the commencement of construction work until next financial year. The funds available this financial year will be used for the continuation of planning studies, the completion of the tree planting programme, the establishment of a tree nursery, and the completion of acquisition.

The change in population forecasts inevitably modifies the planned rate of growth of Monarto. However, the Government is convinced that the project should continue on a reduced scale so that Monarto can accommodate more rapid expansion should that be necessary in future. The object will be to plan the Monarto project on this basis to ensure that the future growth of Adelaide is kept within reasonable limits.

PERSONAL EXPLANATION: PRESS REPORT

The Hon. J. E. DUNFORD: Mr. President, I seek your guidance. I am not very well acquainted at this point of time with Standing Orders. I would like to make a statement to the Council as a result of an article in the *Advertiser* yesterday morning.

The PRESIDENT: The honourable member is seeking leave to make a personal explanation?

The Hon. J. E. DUNFORD: That is right.

Leave granted.

The Hon. J. E. DUNFORD: In Wednesday's *Advertiser* there was an article quoting a Mr. Gunn, who is in another House, stating that among other things I was "a political thug" because of the mention I had made of two people, Mr. Kemp and Mr. Rowe, who are deceased. I refer honourable members to page 116 of *Hansard* of August 12. When I referred to these two members, amongst other members of the Opposition, and when the President gave me guidance and told me that, if derogatory statements or terms were used about individuals, they could object, I then said in reply to the President that I would give honourable members a copy of the document. That document I was referring to was a political book written by a wellknown political author. In fact, that political book has been referred to many times in this Council and, of course, it was not my personal assertion, even though I do not disregard what was said in the book. I believe that the public should know that, had I been in the Lower House when this statement was made by Mr. Gunn, I would have replied to this statement and to other statements he made about Kangaroo Island but, of course, I was not in a position to do that. As I said before, in my maiden speech, only a minority of the public knows that this Council exists, so one would wonder why I replied. It has been suggested by Mr. Gunn, who, I believe, is an insignificant backbencher in the Lower House, that I should apologise.

The PRESIDENT: The honourable member must confine his personal explanation to the remarks about which he says he was misreported.

The Hon. J. C. Burdett: He's a front-bencher.

The Hon. J. E. DUNFORD: I am getting some help already. In reply, I would say, first, I had no opportunity to reply because I was not in that House; secondly, the press statement did not say in full and in what context the statement had been made. I made a statement, I reiterate, by a political author. The statement was made in a political book, which is available to the public; anyone who takes offence on the other side can sue the publisher and author, if he so wishes. However, in all fairness, I refer to one thing Mr. Gunn said—that a person ought to have the guts to retract something said if he is wrong. One does not need guts to retract something one said that was wrong: it is the only commonsense and correct thing to do. What I am prepared to say in this Council is that I am willing to withdraw the remarks in the context in which they were said, from a political article, in relation to Mr. Kemp and Mr. Rowe, who have recently deceased, so that there will not be any ill feelings coming from me, through this Council, to their relatives and friends and their friends in the Opposition.

Honourable members: Hear! hear!

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from August 19. Page 302.)

The PRESIDENT: Before I call on the Hon. Mr. DeGaris, I remind the Council that His Excellency the Governor has appointed 3.30 p.m. as the time for receiving honourable members with the Address in Reply, and accordingly at that time I will invite honourable members to accompany me to Government House. I now call upon the Hon. Mr. DeGaris.

The Hon. R. C. DeGARIS (Leader of the Opposition): Before I sought leave to conclude my remarks I had got to the point of dealing fairly fully with the decision of the Chief Justice of the U.S. Supreme Court, Earl Warren, and with the decisions of other judges. I would like to pick up now by saying that in all of Earl Warren's judgments there were strong provisos in what he said. Perhaps the strongest proviso was the warning he gave that a freewheeling revision of districts, not following any traditional or natural boundaries, would be an open invitation to partisan gerrymandering. I should like to refer to actual cases that came before the courts and the decisions that were made regarding them. The first is the Maryland case, in which a redistribution was challenged

because the plan had a maximum deviation of 36 per cent between the largest and smallest electorates. The Court of Appeals reported:

According to the decisions, 36 per cent is, of course, high. However, the Supreme Court has recognised that some divergences from population based representation are permissible, so long as they are the result of legitimate considerations incident to the effectuation of a rational State policy, based principally upon population.

Maryland is an American State in which the court allowed a 36 per cent deviation between the largest and smallest electorates. That State is 25 900 square kilometres in area, about the same size as Mallee, one electoral district in South Australia. It has a population of 2 500 000, with 1 500 000 living in an urban situation.

In the Georgia Senate, the population variation was 1·8 to one. The court refused to disturb that plan. Georgia is a State of 155 400 km^2, is about one-third the size of Eyre District, in South Australia, and has a population of 3 500 000 people, with 1 500 000 living in an urban situation. I will now refer to other decisions made by the courts under the *Baker v. Carr* ruling. In the Hawaii Senate a variation of 28 per cent in the Senate and 49 per cent in the Lower House was not attacked on arithmetical equality grounds. Without an authoritative statement from the United States Supreme Court, the lower courts moved in various directions in the period 1964 to 1966. Court approved redistributions up to the end of 1966, in which districts in at least one House exceeded 15 per cent, were applied to 27 of the States. I refer particularly to Colorado, with 30 per cent and Hawaii, with 49 per cent. Colorado is one of the largest States of America, comprising 269 360 km^2, and being about half the size of Eyre District, this State's largest district.

The Hon. N. K. Foster: You want to create a city in the Simpson Desert.

The PRESIDENT: Order!

The Hon. R. C. DeGARIS: So, the courts in America, even following the *Baker v. Carr* decision, have displayed uncertainty in interpreting the central question of "how equal is equal?" But in all those discussions in the courts of what is acceptable as far as equality of population in each electorate is concerned, the main question in regard to partisan gerrymandering has yet to be answered by the courts.

I point out that a gerrymander can be achieved just as easily with equality of population in each district, as well as with any loading. A detailed discussion on this issue can go on endlessly, because in politics, as in sex, the marvel of each age is the vigor and ingenuity with which men apply themselves to create fresh approaches to old themes.

Using only broad categories, additional issues of absolute importance are, first, the choice of a voting system. I intend to say something about this in relation to the Council's voting system. The second issue of absolute importance is devices to ensure minority representation, and the third is the number of members in the Legislature (and this, in itself, is a gerrymandering factor). Finally, I refer to new mathematical schemes being promoted that question the legitimacy of most distribution systems.

The danger in the use of a single hypothesis (that is, numerical equality) lies in the simplification of representative democracy. In any concept of equality of votes, such devices as proportional representation cannot be ignored. A pure proportional representation system is in accord with basic tenets of representation theory. Indeed, it is the one way concept of one man one vote one value can be interpreted.

However, because proportional representation in the European experience has sometimes failed to create governing majorities and effective leadership, and transforms a two-Party system into a multi-Party system, proportional representation has found little favour in the American Legislatures. Pure proportional representation maximises the number of votes that count and minimises the number of votes that are lost. It does this in the wellknown Hare system, by using the single transferable vote. In other words, with 100 000 votes and seven candidates required, at the end of the count there would be seven candidates with 12 501 votes, and the remainder, about 12 500, would be of no value.

In the single-member system, there could well be 49 000 votes of no value at all. For example, of what value were the 4 000-odd votes for the Labor Party in the Mount Gambier District? They were of no value at all. Of what value were the Liberal Party or Liberal Movement votes in the Mawson District? They were of no value at all, yet we talk about one vote one value. There are many variations of the proportional representation system, probably the most notable being the system used in West Germany.

Following the Second World War, the Constitution of West Germany was set up by the three occupying powers—England, America and France, three of the great democracies. Single-man electorates are used for 60 per cent of the House, and a list system, which corrects any gerrymander effect of the single-man electorate system in West Germany, is also used. The people know at every election what is the gerrymander factor; they can see it. It is corrected by taking names off a list system, so that the Party that has polled the majority of votes must govern in West Germany. Whilst there are drawbacks in the use of proportional representation in Lower House elections, there can be no argument against its proper use (I stress the word "proper") for the Upper House although, paradoxically, Tasmania uses proportional representation for the Lower House and single-man electorates for the Legislative Council. We cannot have a one vote one value system with single-man electorates if we have no other system to correct the gerrymander that will always appear in a single-man electorate system. One vote one value occurs in single-man electorates purely by accident.

The American Federal Court has interpreted the Fourteenth Amendment of the American Constitution to mean "one man one vote". The most appealing facet of the term is the right to vote, as a common right of citizenship, and the court is on its most solid ground and is most self-assured when dealing with it. But to this must be added the much more subtle concept of fair and effective representation. Effective political representation denotes an end result in a system where not all can be winners but all want to be heard proportionately. Neither "at large" voting, with its "winner take all" tendency, nor single-member districts, with their tendency to over-reward the dominant Party machines, yield political equity. Numerically equal districts leave untouched the problem of malrepresentation.

The Federal Court in America started with the comfortable theory of political equality and consensual government, and the first round of the State distribution "revolution" went to the "population equalisers", with nothing else considered. But, with this beginning, the courts are immediately plunged into an expanding series of disputes, bringing the questions of the realities of representation nearer. What the courts are dealing with is constituency creation, and in this respect two discretions emerge. There are structural options such as, first, the single-member or multi-member

dispute and, secondly, the homogeneity-heterogeneity argument. Secondly, because no district boundaries are politically neutral, inevitably policy choices raise issues of political gerrymandering. These issues in turn raise questions of the future willingness of the court to adjudicate on more refined representation issues if and when the issue of "how equal is equal" is finally settled.

So, the "distribution revolution" is at best only an on-going process of trying to perfect representative democracy. There is no simple formula for making power just, making politics clean, or assuring majority rule on the one hand and maintaining necessary balances and checks on the other hand; nor to assure majority rule and equitable minority representation, or equal opportunity for every resident of the State to have equal access to his representatives. One man one vote one value in the American context is really only an aspiration. This aspiration is legitimate. The task of honouring this principle has only just begun in America and it has not yet begun in South Australia or Australia. The problem still remains in America, as it remains here: that is, to build a political system that so mixes unity and diversity, majoritarian and consensus, interest representation and safeguards against the inherent dictatorship of the majority, safeguards for balancing and checking authoritarianism, as to yield a stable, fair, dynamic Government.

In Connecticut, with an area of 1 300 000 hectares, a deviation of 14·1 per cent was approved by the American court as a reasonable interpretation of the equal population theory. Pennsylvania, where a deviation of 15 per cent was approved, has an area of 11 700 000 hectares and is about one-third the size of the Frome District and one-quarter the size of the Eyre District. West Virginia, for which a variation of 13·4 per cent was approved, has an area of 6 240 000 hectares and is about one-sixth the size of the Frome District and twice the size of the Mallee District. American federal seats range from an average population of 302 173 for Alaska to 512 000 for Oklahoma. Let me refer to the statement made by Judge Frankfurter in the case *Reynolds v. Sims*:

> Talk of debasement or dilution is circular talk. One cannot speak of debasement or dilution of the value of a vote until there is first defined a standard of reference as to what a vote should be worth.

The answer is that a vote should have as near as practical a political value of one. Now let me examine the voting system in the Legislative Council and the events surrounding its introduction. The introduction of the system followed a television debate between the Premier and me, in which the Premier undertook to introduce in Parliament a system that would give one vote one value. The Bill came in with a list system and the destruction of all votes under four per cent, which would have produced one of the major gerrymanders ever seen in an Australian Parliament. With about 49 per cent of the vote, one Party could have gained seven out of the 11 seats in this Council. The Bill was amended by the Liberals to produce very close to one vote one value, but that was rejected by the Government. In conference, we made some ground towards a one vote one value principle but you, Mr. President, will remember the threats that the Premier made if the Bill did not pass unamended.

Let us come back to what a vote is worth. Let me examine this question in connection with the Legislative Council voting system. The Labor Party, with 48·5 per cent of preferred votes, gained 54·5 per cent of the seats—a vote value for each vote cast of 1·031, based on 5·82 quotas gaining six members. So the value of each Labor Party vote in the Legislative Council elections was 1·031 votes; the value of each Liberal Party vote was 0·81 for each vote cast; and the value of each Liberal Movement vote was 0·81 for each vote cast, on the same basis. Irrespective of vote value considerations, there is no way a Party should, on a whole State basis, gain a majority with a minority vote. In other words, four votes cast for the A.L.P. were worth five votes cast for the Liberals, but that figure of a vote value is based on 50 per cent of the vote entitling a part of six out of 11 of the members to be elected.

The majoritarian principle is a principle that is valid in determining government, but is it a valid principle in determining the composition of an Upper House? My answer is "No"; it is not. There should be no majoritarian principle involved in any Upper House. Therefore, if one applies stricter mathematics to the value of votes in Legislative Council elections, the figure that can be arrived at makes the A.L.P. concept of one vote one value even more suspect. With 48·5 per cent of the vote with 11 vacancies, the A.L.P. entitlement is 5·355 members. It achieved six members. So the vote value of each vote can be said to be 1·125 members for each vote cast. For the Liberals the vote value was 0·88 for each vote cast. The A.L.P. says that here is one vote one value, but there is great disparity in the value of the votes cast. There has been much emotional talk on the question of one vote one value, but the amendments that would have produced as near as possible a voting system in the Legislative Council, where each vote cast would have an equal value, were introduced by the Liberal Party in the Upper House. However, the A.L.P. did not support one of those amendments.

I introduced a Bill for proportional representation in two districts of this State, with a fully transferable vote, on the same basis as the Senate, electing 12 members each three years. This Bill was roundly criticised by the A.L.P. as departing from the one vote one value principle, whatever that phrase may mean. Let me examine the result, and the vote value in that Bill, if the same voting pattern had emerged at the last election. The result would have been six A.L.P. members and six Liberal and Liberal Movement members. The vote values would have been 1·03 for the A.L.P. and 0·97 for the Liberal Party and the L.M. for each vote cast. That is mathematical equality almost as near as one can get it, yet this was criticised as not coming within the principle of one vote one value.

In summary, one vote one value is a legitimate pursuit of Legislatures, but it cannot be achieved by a simplistic policy of numerical equality in each electorate. We have numerical equality in the Legislative Council, but what of the vote value? Every A.L.P. vote cast for the Legislative Council was worth 1⅛ votes, yet every vote for the Liberals was worth 0·9 votes; but the Labor Party talks blithely about one vote one value, The numerical equality syndrome denies other legitimate democratic principles, such as fair and effective representation of each elector. If the Legislature wishes to pursue as a matter of absolute principle the equality of value of each vote cast, it must immediately scrap any consideration of single-man electorates on their own as being able to provide for that absolute principle.

If the one vote one value principle is valid, this Council must immediately change its voting system. Indeed, I would be willing to refer to a Royal Commission the question of designing an electoral system, in regard to all matters, ensuring that each vote cast has as near as possible an equal political value and ensuring fair and effective representation for all people, irrespective of where

they live; and, when that commission has reported, to accept its verdict on all questions. This reference would be that every vote cast in an election must have, as near as possible, an equal political value. The commission would need to have power to determine not only boundaries but also any changes in voting systems required to achieve the result of each vote cast having as near as possible an equal political value. Evidence could be taken on proportional representation, the gerrymander corrector, which is in use in West Germany, and on whether there should be judicial appeal against any redistribution. I would be willing to support such a situation and the findings of any commission established for this purpose.

I wish now to refer to statements made by the Hon. Mr. Cornwall and the Hon. Mr. Cameron, because I want to put to this Council one point of view that has not previously been put. The Hon. Mr. Cornwall said that it was "fitting to pay tribute to the man who has pursued this matter with such single-minded diligence for so long—Don Dunstan". He was referring to the matter of adult franchise in connection with this Council. The Hon. Mr. Cameron made a similar sort of statement, as follows:

Inevitably, change came, but from another Party, the Government Party, and this need not have been the case, because I can recall as far back as 1968, at a meeting of the Liberal and Country League, the then Premier (Steele Hall) made a plea to the Party to provide in a Bill for full franchise in Council elections. If that course had been followed the Bill would have been introduced by a Liberal Government and it would have taken into account the sorts of problem that have arisen in the recent election, especially in the case that comes to mind that preferences were not counted right out.

I should like to explain a little more accurately what is the case regarding these two statements. Regarding the pursuit of adult franchise, so far as the Labor Party was concerned (and it was stated in speech after speech) the adult franchise was sought prior to the abolition of the Council. No honourable member opposite can deny that fact, because speeches were made in this Council time after time.

The Hon. D. H. L. Banfield: It would not be possible after abolition.

The Hon. R. C. DeGARIS: The first thing that had to be achieved was a protection in the Constitution to ensure that this Council could not be abolished without a referendum of the people of South Australia. That was a difficult constitutional problem to solve. Secondly, while Mr. Hall and the Premier pursued adult franchise without any acceptance of the need to change an old-fashioned, out-of-date voting system that could not be sustained in any circumstances, the question of the franchise applying to voting for this Council could have been solved many years earlier if there had been (*a*) an acceptance by some of those people, who were demanding adult franchise, of the need for a protection of the Council against abolition without the approval of the people of the State, and (*b*) a voting system that would have produced one vote one value.

Indeed, I can say that, so far as I know, the present L.M. policy regarding the Upper House was suggested by members of the Upper House to the Leader of that Party in the Assembly (Mr. Hall) four or even five years ago, and that policy was at that stage rejected by him out of hand. Rather strangely, that suggestion made to solve the franchise problem has now suddenly become official L.M. policy. Mistakes have been made, and there have been faults in this matter on all sides: that is freely admitted. But, strange as it might seem, both Steele Hall and Don Dunstan had a political vested interest in ensuring that they placed just as many barriers to the solution of this problem as did anyone else.

The Hon. F. T. Blevins: Rubbish.

The Hon. R. C. DeGARIS: It is not rubbish; it is quite factual. I am stating it, having gone through this matter for many years. If a fair voting system had been agreed to by both sides of this Council, the adult franchise issue would have been solved long before it was finally settled. We settled, under extreme pressure at the time, on a system that does not allow people to vote for a candidate, nor does it produce one vote one value for the groups involved. I support the motion.

The Hon. A. M. WHYTE: I rise very quickly, because I am conscious of the time, to congratulate those new members who have entered this Council, and to congratulate you, Sir, on your appointment to the honoured position of President. It is my hope that you will serve in that capacity for many years to come. I want to say, too, how much I have appreciated the work of those members of this Chamber who have now retired and who contributed so much to the administration of the State, to its well-being, and to all they served. Sir Lyell McEwin, Sir Arthur Rymill, Frank Kneebone, Bert Shard, Dr. Springett, Ross Story and Gordon Gilfillan are all fine South Australians who have contributed a great deal to the State. To the new members, I just say that all seem proud of the new system under which they were elected but, if one looks at the situation honestly, it is not a fine system at all.

The Hon. F. T. Blevins: Come off it, Arthur.

The Hon. A. M. WHYTE: The situation could be improved greatly by some alterations to the present system or, indeed, by a better one being evolved.

The Hon. F. T. Blevins: You had a long time to do that.

The Hon. A. M. WHYTE: It would be simple to tell the honourable member how it could be done, but unfortunately I have not sufficient time. In an interjection, the Hon. Mr. Blevins claimed that Steele Hall was the instigator of proportional representation, or something to that effect. In 1968, when I first commenced talking proportional representation to the members of this Council, Senator Steele Hall, as he is now (and at that time he was the Liberal Leader in the Assembly), said that the best thing I could do, if I wanted proportional representation, was to join the Country Party. Feeling somewhat rebuked, I went to the Hon. Mr. Shard, who was then Leader of the Labor Party in this Chamber, but he would not have a bar of proportional representation: he said it would let in the Democratic Labor Party. That is going back to 1968. I think I have played as great a part as anyone in the introduction of proportional representation, but I hasten to add that the present list system under which we now elect members is not the true and proper answer. I support the motion so ably moved by our new members.

The Hon. D. H. L. BANFIELD (Minister of Health): I have withdrawn from the talkathon that has taken place over the past fortnight, because time is against me. However, I support the motion, and I want to convey my congratulations and thanks to His Excellency the Governor for the work he is doing for South Australia. We all know that he is no rubber stamp, and his door appears to be open to anyone who wishes to speak to him. He is well respected throughout the country, and has made visits to many parts of this State. People may have made some misgivings when he was first appointed, but I know that they have accepted him as Governor now, and he is doing a remarkable job. I should like to refer to the

unfortunate accident that occurred at Coober Pedy to a member of the Government House staff. Miss Forgan suffered injuries last week while visiting Coober Pedy with the Governor and Lady Oliphant. I trust that she will make a speedy recovery.

I pay my respects to two late members, Sir Norman Jude and Les Densley. I knew both gentlemen and I thought I was a friend of both, not politically, but I do not think that matters when we are in this Chamber to do a job. I worked with both Sir Norman and the Hon. Mr. Densley for many years. Mr. Densley was President when I came here, and as I was the only Labor back-bencher I thought he gave me a good run. I very much appreciated his chairmanship, and to the relatives and friends of both late members I extend my deep sympathy.

I congratulate the new members on their contributions to the Address in Reply debate, and I look forward to hearing further speeches from them. I know they will be of great value to the working of this Council. Naturally, I am delighted to have six new members to assist me and, whether the voting system has been right or wrong, the fact remains that we are gradually reaching the position that should have been in existence more than 80 years ago. The Hon. Mr. Dawkins, the Hon. Mr. Burdett, and, to a lesser extent, the Leader implied that possibly the Government does not have a mandate to govern. That is a marvellous reaction from people opposite. I do not know where they get such an idea.

There was no question of the Playford Government's not having a mandate to govern when it was down to 41 per cent, 42 per cent, or 43 per cent of the vote. When Playford was in Government he had a mandate for everything he put forward, but when we had a vote from the people of 56 per cent we were not even the Government, although we had that mandate. It is all right for Mr. Dawkins to say we have no mandate. There have been times when the A.L.P. has had 54 per cent or 56 per cent of the vote and has not been in Government, yet the Hon. Mr. Dawkins has the audacity to say there is a possibility that the Government has no mandate for the legislation it intends to introduce. I think the Hon. Mr. DeGaris suggested the Government did not have a mandate because it put through the Railways (Transfer Agreement) Bill. I do not know what a mandate is if the Government does not have one, as compared with the situation in which the Playford Government operated for many years. The Hon. Mr. Dawkins mentioned that the Government was dependent on the support of an Independent Speaker in another place. Of course, that is nothing new, either. Sir Thomas did that for many years, and there was not one word from people in this place to suggest that the then Government had no mandate. When the chips were down they voted solidly for what Playford put before the Council.

The Hon. N. K. Foster: They traded portfolios with Quirke to keep themselves in Government.

The Hon. D. H. L. BANFIELD: The Hon. Mr. Burdett said that members opposite had expressed their own views from time to time and had not voted like machines. I agree that they did not vote like machines; I say without reservation that they voted like puppets. When the strings were pulled it would have been the Hon. Mr. Burdett's turn to cross the floor to vote with the Government on odd occasions.

The Hon. J. C. Burdett: What a lot of nonsense!

The Hon. D. H. L. BANFIELD: It was the turn of other members to cross the floor to vote with the Government on various occasions. It is true that members opposite do not vote like machines, but there is no doubt that they vote like puppets.

The Hon. J. C. Burdett: There is no question in your mind.

The Hon. D. H. L. BANFIELD: They were nearly falling over the strings! The Hon. Mr. DeGaris spent some time on Wednesday and Tuesday, and again today, with regard to one vote one value and the way in which people should be elected to this place. It has been said that there is no worse bore than a reformed drunk when talking on the subject of drink. There is a greater bore than a reformed drunk, and that is a reformed gerrymanderist, and I refer to the Hon. Mr. DeGaris. For over 100 years in this place there was no attempt whatsoever to reform the voting for this Council. Now we have to make sure that there is no mathematical gerrymander, although what that is I do not know. All I am concerned with is the numerical gerrymander. Some honourable members opposite have a holier than thou attitude: we must see that it is stopped at one vote one value: one vote dare not go astray. For over 60 years on many occasions we had only 16 to 4 here when the Liberal and Country League was in Government. The Hon. Mr. DeGaris had the audacity to say today that the franchise position would have been fixed up but for Australian Labor Party policy, which wanted the abolition of this place. Members opposite had no intention, of course, of reforming. They had no intention of giving adult franchise to this place; but now, because they have lost a ballot or two in this place and they no longer have the numbers, they must see that everything is so perfect. That holier than thou attitude will not go over with the people outside. The Hon. Mr. DeGaris said that we passed Bills in this place only because of the threats that the Premier made outside on the steps of Parliament House. How many times, when it has suited the Hon. Mr. DeGaris, in spite of threats by the Premier, has he knocked back legislation? He is the man who has often stood up and said, "We will not be browbeaten by the Premier", yet he gets up here and tries to tell us that he was browbeaten on this occasion.

The Hon. M. B. Dawkins: You would go very well down at the Botanic Garden.

The Hon. D. H. L. BANFIELD: That is where the honourable member should be instead of here. If we had had proper franchise in this place prior to 1965, the Hon. Mr. Dawkins would not have been here: he would have been at the Botanic Garden, possibly as an overpaid gardener. Mr. President, I do again congratulate you on assuming your high office. I support the motion.

The PRESIDENT: I remind honourable members that the time is fast approaching when we are to wait on His Excellency and, accordingly, I ask the mover and seconder of the motion and all honourable members to accompany me to Government House forthwith.

[*Sitting suspended from* 3.24 *to* 3.37 *p.m.*]

The PRESIDENT: I have to inform the Council that, accompanied by the mover and seconder of the Address in Reply to His Excellency the Governor's Opening Speech, and by other honourable members, I proceeded to Government House and there presented to His Excellency the Address adopted by the Council this afternoon, to which His Excellency was pleased to make the following reply:

I thank you for your Address in Reply to the Speech with which I opened the first session of the Forty-second

Parliament. I am confident that you will give your best attention to all matters placed before you. I pray for God's blessing upon your deliberations.

BUSINESS FRANCHISES (MISCELLANEOUS PROVISIONS) BILL

Adjourned debate on second reading.

(Continued from August 14. Page 248.)

The Hon. C. M. HILL: I support the Bill. It seems to me that its intent is a rather simple matter of lifting the petrol tax, as it is commonly called here in South Australia at present. However, the machinery that the Government has put in train to achieve this aim seems to be rather complex. That machinery can be examined, in its broad form, in clause 2.

One can surmise from clause 2 that the Bill amends the Business Franchise (Petroleum) Act, 1974, and then, having amended that Act, it sets about repealing the Act from December 24, 1975. At the same time, the Bill amends the Business Franchise (Tobacco) Act, 1974.

Taking into account all the various approaches that have been adopted I agree that the Government has taken the only way possible in achieving its aim of lifting the petrol tax. It will mean, as far as this franchise amount is concerned, that petrol will, in theory, reduce in price as from September 24. This is a welcome measure from the point of view of the public and, I am sure, of all honourable members, irrespective of their political complexion.

From the point of view of my Party, this matter was fully considered during the campaign leading up to the election that was held on July 12. We considered that we could not promise the public that the tax would be removed immediately, simply because, first, we adopted a responsible attitude in our election promises and, secondly, because we did not, as the Government did, have access to the Treasury figures and accounts. We therefore had to be rather cautious in our election promises in this matter.

However, we favoured the lifting of the tax, and we tried to have it lifted as soon as possible. Again, I emphasise that from my point of view and that of the Liberal Party this is indeed a welcome measure.

I cannot let this opportunity pass without referring to the method by which the Government, leading up to the election, applied what I call political blackmail in regard to this tax. The method of trying to exert pressure on opposing political Parties by saying that if the Railways (Transfer Agreement) Bill was not passed the petrol tax would not be lifted was a marrying-up of these two completely separate issues which implied political tactics of a poor kind.

I hope that we will never again see this kind of political pressure being brought to bear in Parliament. It was the first time I had ever experienced that kind of pressure from any political Party, and I hope that in future we will never see the same approach. The two matters were entirely different. Each stood on its own in every respect and, in my view, should not have been linked up in that way.

When I reviewed this matter previously, before the announcement of the Commonwealth Budget, I made a rough note that I hoped the benefits in this Bill would not be eroded by any announcement that was made when the Commonwealth Budget was presented in Canberra. Of course, that has all come to pass, and it seems from what one reads in the press that it was hoped that the benefits that this measure would bring to the people of South Australia would almost immediately be cancelled out by the increase in Commonwealth tax of a comparable amount. From the point of view of the people outside, this is indeed unfortunate.

The Hon. T. M. Casey: Has New South Wales lifted theirs?

The Hon. C. M. HILL: I did not even know that that State had a petrol tax. Let the Minister tell us all about it; he raised the matter. Let him say whether there was an identical tax in New South Wales, and let him say what the tax amounted to. If he can do those things, I will place more credence on his interjection on this occasion and on his future interjections. If he cannot do those things, I suggest that he should interject less frequently and pay a little more attention to his new portfolios, on which he has not been able to answer questions very well.

The Hon. T. M. Casey: You are really saying that you don't know.

The Hon. C. M. HILL: The Minister is the one who raised the question. In addressing myself to the Bill, I wish to refer to price cutting in the petrol retailing field throughout South Australia. If price cutting continues after this Bill passes, the public will ask very serious questions as to what the real retail price of petrol in this State ought to be. This matter must soon be considered very carefully. The question must also be considered as to how effective is the control of petrol prices.

The Hon. R. C. DeGaris: You could also ask how effective the Prices Justification Tribunal is.

The Hon. C. M. HILL: Yes. The public is becoming confused, as is the small business man who is trying to make a decent living through working long hours. I support the Bill.

The Hon. R. C. DeGARIS (Leader of the Opposition): The original legislation was introduced to raise $12 000 000 through a petrol selling licensing scheme, following the Premier's clear statement when he announced the 1974-75 Budget that South Australia faced no taxation increases in that financial year. The Premier's statements about the 1974-75 Budget were the most misleading financial statements made in South Australia that I have heard since I have been a member of Parliament. In the Budget debate it was pointed out that the Budget documents, as presented, did not provide for a $12 000 000 deficit; in fact, the Budget documents supported our claim that the deficit was really $40 000 000. That prediction was borne out by the Supplementary Estimates and by the implementation of petrol franchise taxation, tobacco retailing taxation, and an increase in stamp duties.

Because South Australia has a temporary respite, through the transfer of country rail services to Commonwealth control, the Treasurer has been able to remove the petrol tax, only to find that the Commonwealth Government now intends to reimpose a similar kind of tax. All honourable members should agree that South Australia has received a pretty raw financial deal in the Commonwealth Budget announced this week. The deal done with Canberra, described as a wonderful deal that would place South Australia so far ahead of other States that no sane Premier could refuse it, has been balanced by Canberra in its own inimitable fashion. The South Australian Government's intention to gazette regulations to continue the franchise tax until December 24, should have been explained to the people before the last election; petrol resellers are handing back the tax, thinking that the tax will be collected only until September 24. This is the basis of much of the price cutting that is occurring.

We now know that the Commonwealth Budget is the square-off for South Australia. Where does the Premier go now for his finances? What assets will be transferred to Canberra next? What taxation measures will the Premier contemplate for South Australia? What will he do to soften the blow in connection with unemployment in South Australia? What will he do to prevent the transfer of industries to locations nearer the main markets? What will he do to reduce cost increases, for which he has been responsible to some degree? Perhaps we can use part of the $800 000 000 that we will get through the transfer of the country railways to the Commonwealth Government. I predict that we will see further taxation increases in South Australia. The repeal of the petrol franchise tax is really a closing phase of chapter one in a series of events that began with the 1974-75 Budget. These points were brought to the attention of this Council last year.

By extricating the State from a financial dilemma through the transfer of the country railways, the Government has created a further problem. I am pleased to see that the petrol franchise tax is to go. Franchise taxes are an unwieldy way of collecting revenue. I hope the reference of powers referendum, to which the Constitution Convention has agreed, will be passed; this will give the opportunity for more equitable taxation. The States must be given the power to levy taxes on the basis of ability to pay (not on the basis that a person happens to own something) if we are to reach an equitable taxing position. The capital taxation structure is too heavy in the States at this stage, and to move into taxes such as the franchise tax, which is unwieldy, is hardly justified. I hope that when the referendum is carried the Commonwealth will refer to the States power to apply taxes more equitably than franchise taxes. I support the Bill.

The Hon. M. B. CAMERON: I support the Bill. The original tax was imposed after the State found that it was not getting sufficient funds from the Commonwealth Government. It was made clear to us at the time that the State Government did not receive sufficient funds and it would have to apply the tax. A sum was nominated as the amount required to ensure that the State Government would not have to apply the tax.

The Hon. R. C. DeGaris: The sum of $6 000 000.

The Hon. M. B. CAMERON: That is correct. The State Government finally obtained that sum, but it still applied the petrol tax. There was no move or attempt to remove the tax, even after the Commonwealth Government allocated further funds to South Australia.

The Hon. R. C. DeGaris: The $6 000 000 was to compensate for the drain on our resources from cyclone Tracy.

The Hon. M. B. CAMERON: The final statement made concerning the lifting of the tax I found abhorrent. The implication at that time was that if the railways legislation was passed the petrol tax would be lifted, but if the Bill was not passed the petrol tax would not be lifted. That statement amounted to what I consider to be blackmail. I certainly did not need to hear such a statement before I considered the Bill seeking to transfer our State country railways to the Commonwealth Government. I strongly objected to the implication made by the Deputy Premier, who made a clear statement on this matter.

The petrol tax has applied on a basis of last year's sales and, despite the Government's complaining about cut-price petrol in South Australia, I believe the Government is directly responsible for its introduction in South Australia. Certain sharp operators in South Australia realised that, if they could build up their gallonage above their gallonage of the previous year, they could give 5c a gallon off and not be disadvantaged at all through the application of the petrol tax. The Government is directly responsible for what it is now complaining about. It has expressed concern about the situation, but it has resulted from the petrol tax that has been applied.

The Hon. T. M. Casey: There has been discounting for years.

The Hon. M. B. CAMERON: Now we find some petrol sellers embarrassed as their sales have dropped off, yet sales elsewhere have increased.

The Hon. A. M. Whyte: Some are still paying out on the basis of sales last year.

The Hon. M. B. CAMERON: True, and they must appeal to the Government not to apply the tax on last year's gallonage. This has caused severe problems this year, because some smart operators have realised how they can get additional sales.

The Hon. F. T. Blevins: That's free enterprise!

The Hon. M. B. CAMERON: Yes, because the Government introduced a new system.

The Hon. T. M. Casey: What a lot of rubbish!

The Hon. M. B. CAMERON: It is not. The Government should not complain about cut-price petrol, because it is directly responsible for it, as is the Australian Council of Trade Unions, which has gone into petrol discounting in other States and which doubtless will come to South Australia. The Government will not complain about the A.C.T.U.'s activities because it is controlled by the council. This tax should never have been applied in the first place, as it was applied in a rather stupid way, which has led to problems being faced by certain petrol retailers, and it is time that the tax was lifted.

That it is not intended to lift the tax immediately is merely further blatant dishonesty on the part of the Government. In fact, the petrol tax should be revoked on a retrospective basis from July 1 on a similar basis applying to the railways legislation which was recently passed, if only to give credibility to the word of the Deputy Premier when he said in his blackmailing statement that the tax would be lifted when the railways transfer legislation was passed. The Government should stick to its word in that way. At least it should remove the evidence of its blackmail which was applied to this Council. I support the Bill.

The Hon. A. M. WHYTE: I support the Bill, and all other honourable members will support the Bill because we want to get rid of this iniquitous tax. However, one point has emerged from the imposition of the petrol franchise legislation: that is, it is now established and it is most unlikely that such taxation levied by the State will be challenged. This situation represents a big departure from the past because previously it was suggested that a fuel tax of 1·5c gallon would provide more State revenue than the ton-mile tax, and it would be much easier to administer, but it was always claimed that such a tax could not be applied by the State.

It was claimed that it would be unconstitutional or illegal. However, the position is now clear and the State can levy a fuel tax. Therefore, I suggest that, if there is a possibility of obtaining co-operation with other States, such a levy to obtain road revenue be used to replace the ton-mile tax.

The Hon. T. M. Casey: Who imposed the ton-mile tax in South Australia originally?

The Hon. A. M. WHYTE: Does the Minister need to ask that question? It is quite irrelevant to the point I am making concerning a fuel tax levied by the States.

The Hon. T. M. Casey: It was Sir Thomas Playford who applied that tax.

The Hon. A. M. WHYTE: True, he applied the tax, and everyone squealed. He was most unpopular, especially in the area from which I come. However, a later Premier came along and said that he would exempt the people on Eyre Peninsula from the ton-mile tax, but that was a most dishonest statement, because he well knew that he could not do that. Not only did he know that he could not do it, he knew he could not do it before he even made that statement, and he attempted to impose another tax on top of that. I believe that the ton-mile tax is an iniquitous tax. My suggestion is based on the fact that we now have an opportunity for the Government to look at this new area of revenue which could provide it with more revenue involving less administration as well as being a far more just and equitable tax for South Australian road users. I support the Bill.

The Hon. D. H. L. BANFIELD (Minister of Health): I thank all honourable members for the attention they have given to the Bill. The Hon. Mr. Hill said that the Government applied blackmail in relation to this Bill and the railways legislation. He said that he did not agree with that in any way, yet he then went on to say that the Opposition in its policy speech was not willing to lift the tax—

The Hon. C. M. Hill: At that stage.

The Hon. D. H. L. BANFIELD: He was not sure whether the Railways (Transfer Agreement) Bill would go through or not. If honourable members opposite had been in Government there is no doubt about it: they would have agreed to the passage of the Bill. In effect, the honourable member was saying that what the Government told this Council (that unless the railway legisation was passed the petrol tax would continue) the Opposition agreed with. Because the Treasurer was honest and advised Parliament about the position in relation to the financial arrangements, honourable members opposite criticised him for being so honest. I have heard honourable members opposite suggest from time to time that there have been occasions when the Treasurer has not been open with them. I refute that suggestion. On this occasion, when the Treasurer was honest with the Opposition and when members were told there was no alternative to a petrol tax unless the Railways (Transfer Agreement) Bill went through, the Hon. Mr. Hill still objected.

The Hon. C. M. Hill: It is still political blackmail.

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

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL (SEX DISCRIMINATION)

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.

The Bill, which is in the same form as a measure which passed the House of Assembly in the latter stages of the previous Parliament and lapsed owing to the dissolution of Parliament, has two objects:

(*a*) to deal, in the industrial sense, with matters arising out of the report of the Select Committee of the House of Assembly on the Sex Discrimination Bill; and

(*b*) to facilitate the operation of the principles of wage indexation, as enunciated by the Commonwealth Conciliation and Arbitration Commission in its recent judgment.

Accordingly, it endeavours to ensure that as far as possible there can be no discrimination in conditions of employment as between the sexes, to the extent that those conditions of employment are determined by the Industrial Court or Commission in this State.

In 1973 the Government indicated to the Commonwealth Government that it favoured the ratification by Australia of International Labor Convention No. 100 regarding equal pay for the sexes. Following discussions between State and federal officials, and between officers of the Australian Government and the International Labor Office, it was recognised that ratification of that convention would necessitate a change in the present practice of determining different living wages for males and females. At that time the Government indicated that it would at the first opportunity amend the present provisions in the principal Act empowering the Industrial Commission to determine different living wages for males and females. It would have been possible to achieve one of the objects of the measure by repealing only the references to the female living wage. However, following representations from the major organisations representing employers and employees, the Government has decided to abandon the living wage concept.

Provision was made in the Industrial Code in 1967 requiring the Industrial Commission to award equal pay for males and females in certain circumstances. This provision was re-enacted as section 78 of the principal Act and, as a result, equal pay has now been introduced in many awards and for many occupations. In accordance with the principles contained in the 1967 legislation, the introduction of equal pay has been phased in over a period of some years. Last year the Industrial Court decided that the present provisions of the legislation prevented the Industrial Commission from determining wages for females in occupations in which males are not employed, such as typists or switchboard operators, on the same basis as females in those occupations in which persons of both sexes are employed.

The Government considers there is no longer any necessity for Parliament to set down strict guidelines which must be observed by the Industrial Commission in determining equal pay. Equal pay has been introduced in Commonwealth awards, without the benefit of legislative guidelines, by the Full Commission determining principles which are followed by the various members of that commission. It is felt that the same procedure can now be adopted in the State Industrial Commission. The repeal of the living wage and equal pay sections of the Act does not mean that the Government considers equal pay should be implemented overnight: rather, the intention is that the Industrial Commission should have the power to make a decision having regard to the circumstances of each particular case.

Clause 1 is formal. Clause 2 amends section 3 of the principal Act and makes an amendment consequential on amendments made later in the Bill. Clause 3 touches on section 6 of the principal Act and amends the definition of "industrial matter" by removing from that definition references to questions arising over the sex of the employees and also strikes out the definition of "living wage". Clause 4 repeals section 31 of the principal Act, this being a section relating to the living wage, references to which are proposed

to be repealed. This section enjoined the commission not to fix wages that did not secure the payment of the living wage. As it is proposed that there should no longer be a separate living wage this provision is redundant. Clause 5 makes a formal consequential amendment to a heading in the principal Act.

Clause 6 repeals section 35 of the principal Act which provides for the determination of living wages and also enacts a new section in its place. The reason for the repeal of the provision relating to living wages is two-fold:

(*a*) first, that it will enable proposed quarterly cost of living adjustments to wages by the Commonwealth Conciliation and Arbitration Commission to flow on to employees under State awards. So long as the living wage existed as part of the State wage fixing machinery any such flow on could be accomplished only by periodic adjustments of the living wage. However, by subsection (5) of the section proposed to be repealed new determinations of the living wage could occur only at not less than six-monthly intervals;

(*b*) secondly, since the living wage is related to the sex of the employee all references to the living wage should be removed.

It is, however, necessary to enact a new section 35 to deal with the situation during the period between the coming into operation of this measure and the time when all awards can be varied to prescribe rates as total wages. Most awards now provide a total wage rate, although about half of them also include the margin above the living wage. However, there is a small number of awards and industrial agreements that, at present, provide only for margins above the living wage for the time being in force. It is necessary, therefore, for the time being for the purpose of those awards and agreements to preserve a figure equal to the present living wage.

Clause 7 amends section 36 of the principal Act by striking out from that section reference to the living wage. Clause 8 repeals section 37, which provides for the declaration of a living wage; section 38, which provides for wages to be generally varied in accordance with variations in the living wage; and section 39, that requires the Industrial Registrar to republish all awards in the *Gazette* after any alteration has been made in the living wage or in awards generally. The removal of the requirement concerning republication of awards following living wage variation is consequential upon other provisions of this Bill. At the same time it has been decided to delete the whole section because it will be physically impossible to republish in the *Gazette* every award if wage indexation is introduced and awards have to be varied quarterly. Administrative arrangements will be made for the reprinting of the wages clauses of the major awards in such an event, but it would be wasteful and unnecessary to republish the whole of every award every quarter. Clause 9 amends section 69 of the principal Act by striking out subsection (2) which contains a reference to the living wage now proposed to be eliminated. Clause 10 repeals section 78 of the principal Act which provided for the fixing of equal pay as between adult male employees and adult female employees performing work of the same or like manner and equal value. Since to some extent this section inhibited the commission in its endeavours to give effect to the equal pay provisions, its repeal seems desirable.

The Hon. D. H. LAIDLAW secured the adjournment of the debate.

SUPPLY BILL (No. 2)

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 provides for a further $130 000 000 to enable the Public Service to carry out its normal functions until assent is received to the Appropriation Bill. Honourable members will recall that it is usual for the Government to introduce two Supply Bills each year. It is expected that the authority provided by the first Bill will be exhausted early in September and the amount of this second Bill is estimated to be sufficient to cover expenditure until debate on the Appropriation Bill is complete and assent received.

This short Bill, which contains no details of expenditures to be made, nevertheless does not leave the Government or individual departments with a free hand to spend. Clause 3 ensures that no payments may be made from the appropriation sought in excess of those individual items approved by Parliament in last year's Appropriation Acts and other appropriation authorities.

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

JOINT COMMITTEE ON CONSOLIDATION BILLS

A message was received from the House of Assembly requesting the concurrence of the Legislative Council in the appointment of a Joint Committee on Consolidation Bills. The three persons representing the House of Assembly on such a committee would be the Hon. D. A. Dunstan and Messrs. McRae and Vandepeer.

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

That the Assembly's request be agreed to and that the members of the Legislative Council to be members of the Joint Committee be the Minister of Health, the Hon. T. M. Casey, and the Hon. R. C. DeGaris, of whom two shall form the quorum of Council members necessary to be present at all sittings of the committee.

Motion carried.

CIGARETTES (LABELLING) ACT AMENDMENT BILL

The Hon. D. H. L. BANFIELD (Minister of Health) obtained leave and introduced a Bill for an Act to amend the Cigarettes (Labelling) Act, 1971-1972. Read a first time.

The Hon. D. H. L. BANFIELD: I move:

That this Bill be now read a second time.

This Bill, which amends the principal Act, the Cigarettes (Labelling) Act, 1971-1972, is intended to extend the provisions of that Act relating to "health warnings" to cigarette advertising, so far as it lies within the constitutional competence of this Parliament so to do. The Government recognises that there is a considerable investment by the and industry in what may be described as "permanent advertising" and, in an endeavour to ensure that certain of these advertisements are not rendered unlawful immediately the measure comes into force, a "phasing in" period is provided for in the Bill.

Clauses 1 and 2 are formal. Clause 3 amends the long title to the principal Act. Clause 4 amends section 3 of the principal Act by inserting definitions of "advertisement" and "exempt advertisement". Clause 5, by the insertion of a new section 4a in the principal Act, provides that, after a day to be fixed by proclamation (which will be fixed in consultation with the authorities of other States), it will

be unlawful to advertise cigarettes unless the prescribed health warning is associated with the advertisement. This provision does not apply to any "exempt advertisement" and it is proposed that exemptions will relate mainly to permanent advertisements adverted to earlier. Clause 6 amends section 5 of the principal Act and provides an appropriate regulation-making power.

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

ADJOURNMENT

At 4.22 p.m. the Council adjourned until Tuesday, August 26, at 2.15 p.m.