

HOUSE OF ASSEMBLY

Thursday, August 22, 1974

The SPEAKER (Hon. J. R. Ryan) took the Chair at 2 p.m. and read prayers.

ASSENT TO BILLS

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

Fruit Fly (Compensation),
Supply (No. 2).

PETITIONS: SODOMY

Mr. LANGLEY presented a petition from 98 residents of South Australia objecting to the introduction of legislation to legalize sodomy between consenting adults until such time as the Parliament had a clear mandate from the people by way of a referendum (to be held at the next periodic South Australian election) to pass such legislation.

Mr. EVANS presented a similar petition signed by 136 persons.

Mr. CRIMES presented a similar petition signed by 86 persons.

Mr. NANKIVELL presented a similar petition signed by 17 persons.

Mr. Wells, for Mr. SIMMONS, presented a similar petition signed by 152 persons.

Mr. HARRISON presented a similar petition signed by 148 persons.

Mr. ALLEN presented a similar petition signed by 61 persons.

The Hon. L. J. King, for the Hon. HUGH HUDSON, presented a similar petition signed by 33 persons.

Petitions received.

PETITION: SPEED LIMIT

Mr. GOLDSWORTHY presented a petition signed by 25 residents of South Australia, stating that because of conversion to metrics the speed limit of 30 kilometres an hour past school omnibuses and schools was too high and presented an increased threat to the safety of school-children, and praying that the House of Assembly would support legislation to amend the Road Traffic Act to reduce the speed limit to 25 km/h.

Petition received.

MINISTERIAL STATEMENT: THEATRE 62

The Hon. D. A. DUNSTAN (Premier and Treasurer): I seek leave to make a statement.

Leave granted.

The Hon. D. A. DUNSTAN: Today's *Advertiser* contains a report of some proceedings in another place related to the acquisition by the Highways Department of certain land at Hilton.

Mr. Gunn: There's more behind that, too.

The SPEAKER: Order! The honourable Premier.

The Hon. D. A. DUNSTAN: In the course of that report a suggestion was made and reported in the newspaper that I had some interest in Theatre 62. I have not, and have never had, any personal interest in Theatre 62. I have no interest in that theatre or, indeed, in any other business in South Australia. The only connection between me and Theatre 62 is that that theatre is one of the companies supported by State grants authorized by this Parliament, and that matter happens to be within the area of my own Ministry. That is the only connection. The report also suggests that there should be a resolution of some part

of the Parliament that this matter of the fairness of compensation to the vendor should be investigated by the Ombudsman. As honourable members know, the Ombudsman is within my Ministerial area of administration. He has reported to me that, in fact, he received a complaint concerning the fairness of compensation for this property. He has investigated, he has completed his investigation, and, in his view, need neither raise the matter with the Ministry nor report the matter to Parliament.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: That is the position, and I believe honourable members should know it.

MINISTERIAL STATEMENT: BASHAM BEACH

The Hon. D. J. HOPGOOD (Minister of Development and Mines): I seek leave to make a statement.

Leave granted.

The Hon. D. J. HOPGOOD: On August 1, 1974, the member for Fisher asked me a question in the House concerning the subdivision and development of land in the area commonly known as Basham Beach. The question should more properly have been directed to my colleague, the Minister of Environment and Conservation, as Minister responsible for the State Planning Office. However, as the question highlights a certain amount of confusion which I have noted on the part of the public and indeed members of Parliament concerning the meaning of "development", because it resides within my title I take the opportunity of explaining the matter once and for all to the House. The Development Division of the Premier's Department is responsible to me for matters of policy. This division is largely concerned with industrial and regional development within the State. The focus of its attention, however, is on industrial development. Many other activities that can broadly be regarded as developmental come within the Ministerial control of others. For example, the Tourist Bureau and Fisheries Department are the responsibility of the Minister of Environment and Conservation; construction of main highways is the responsibility of the Minister of Transport; development and control of port facilities is the responsibility of the Minister of Marine. Confusion has arisen because there exists a Planning and Development Act which *inter alia* confers control of subdivision upon the Government. Ministerial responsibility for this, however, resides not in myself but in the Minister of Environment and Conservation. Other developmental activities which come within my control are the operations of the South Australian Housing Trust and the State Immigration Department. As Minister Assisting the Premier I am also in a position to co-ordinate development in these authorities with the planning of the new city of Monarto.

QUESTIONS

The SPEAKER: I direct that the following written answers to questions be distributed and printed in *Hansard*.

AGRICULTURE BULLETIN

In reply to Mr. RODDA (August 6).

The Hon. J. D. CORCORAN: The Minister of Agriculture has informed me that there are about 10 copies of Agriculture Bulletin No. 3 of 1973 remaining for distribution and, as there has been little recent demand for it, a reprint of the bulletin is not contemplated. However, any interested person may peruse a copy at either the library or the Soils Branch of the Agriculture Department. The honourable member may be interested to know that

a much more detailed and comprehensive survey of the area is at present being carried out jointly by officers of the Commonwealth Scientific and Industrial Research Organization Division of Soils and of the Agriculture Department, and it is expected that this will be published in the latter half of 1975.

RIVER SPEEDS

In reply to Mr. ARNOLD (August 13).

The Hon. J. D. CORCORAN: There were two reasons for imposing the restrictions: (1) to prevent damage to levees and shacks because of wash from high speed craft; and (2) to prevent injury to skiers and craft because of the presence of logs, floating debris, etc., brought down by the floods. Much water ski-ing and power boating occurs upstream of Morgan, and it is desirable to retain the restrictions over the whole length of the Murray River in this State until the danger has passed. The situation is being watched, and the restriction will be lifted as soon as it is safe to do so.

TRAFFIC CONGESTION

In reply to Mr. GROTH (July 23).

The Hon. G. T. VIRGO: I refer to the question asked by the honourable member during the Address in Reply debate with regard to the traffic congestion at the junction of Salisbury Highway and Port Wakefield Road. The Highways Department is well aware of this problem. Duplication of Port Wakefield Road between Ryan Road and the Salisbury Highway junction is scheduled to commence in September, 1974, and for completion in August, 1975. Construction will include widening at this junction, and will give some relief to the congestion at this point. However, having particular regard to the availability of funds, work on the bridge over the railway cannot commence until the 1977-78 financial year, and, until the bridge contains an equal number of traffic lanes as the approach roads, some congestion will remain. Action is now being taken to fence the vacant corner block located on the north-eastern corner of the junction, and this should prevent illegal manoeuvres by drivers wishing to enter the Salisbury Highway from the south.

STEEL DISPUTE

Dr. EASTICK: Can the Premier say whether there have been any developments today to prevent the release of steel from wharf 29 at Port Adelaide? Have pickets been placed in position in defiance of the Trades and Labor Council's statement that there is no dispute, and has the necessary action been taken by the police to remove any impediment to a speedy solution of the problem that has been a South Australian industrial disaster?

The Hon. D. A. DUNSTAN: Police were present at the container berth at Port Adelaide today in order to maintain the peace. Some members of the Transport Workers Union were picketing the entrance to the container berth, and some carrying-company drivers were sent to the wharf but refused to enter the terminal. However, the drivers who were to pick up steel on behalf of two companies (A.N.I. Austral Steel Limited and Scarfe Steel Supplies Proprietary Limited) have taken their vehicles into the terminal.

Dr. Eastick: Did you say "scrap steel"?

The Hon. D. A. DUNSTAN: It is Scarfe Steel Supplies Proprietary Limited.

Dr. Eastick: Most of the steel is scrap now, anyway!

The Hon. J. D. Corcoran: That's not true.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: If the Leader wants information, I suggest he ceases that kind of silly interjection.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The Leader should be serious about this matter. Drivers from two companies have entered the terminal, and they are now loading steel.

Mr. MILLHOUSE: Can the Premier say what action, if any, the Government intends to take concerning the reported intention of members of the Federated Clerks Union, employed at the Broken Hill Proprietary Company Limited steel terminal, not to issue bills of lading to truck drivers loading steel? I found it difficult to hear the Premier's reply and, as he was not speaking up, I may not have heard something he said that is relevant to my question. As I understand him, two trucks had got through and were being loaded, but it appears from a report in today's *News* that six members of the union are not willing to issue the bills of lading which, I understand, are necessary before the trucks can leave. If there is that refusal, it will be only a short step towards a resolution of the situation, but a step far short of resolution. In effect, it will not make anyone better off than they are now, because the steel will simply be held up on vehicles instead of on the wharf. If I am correct in believing that to be the situation, I ask my question to find out what stand, if any, the Government is willing to take at this stage.

The Hon. D. A. DUNSTAN: The Government has been informed by the Secretary of the Federated Clerks Union that he has communicated to his members at Port Adelaide the fact that the Trades and Labor Council executive has declared that there is no union ban on the movement of steel from this wharf and that the members of the Federated Clerks Union will service trucks entering the terminal whose drivers act in the normal manner.

GREYHOUND RACING

Mr. WRIGHT: Because of the large amount of public concern surrounding the conduct of the National Coursing Association in relation to a registered trainer Arthur Fagan, will the Attorney-General ask the Chief Secretary to appoint a committee of inquiry into the circumstances of the swabs taken from Mr. Fagan's dogs, the subsequent handling and analysis of same, the hearings by the stewards, and other relevant matters? Some time ago the N.C.A. stewards disqualified Arthur Fagan from training greyhound dogs for a period of 10 years. Since greyhound racing was his sole occupation, this was in fact a life sentence and it threatened bankruptcy. A Supreme Court action was commenced and subsequently a Supreme Court judge revoked the order made. However, while that case was awaiting hearing, a further charge was laid against Fagan and a hearing was commenced by the stewards in respect of alleged doping of the same dog. At the request of a Supreme Court judge, that second inquiry was delayed and is still delayed. Following judgment of the Supreme Court on the first matter, yet further samples were taken from Mr. Fagan's dogS and were alleged to be positive, and it is believed that charges are to be laid. In normal circumstances, one would expect that continual findings of this nature would only show the guilt of the person involved. I wish to beg the pardon of the House for the time taken with this explanation, but this is a very important matter and I must, in duty, refer to the widely held beliefs of many persons associated with this whole matter that Mr. Fagan may well be the victim of a conspiracy initiated

either at the track or at some other level. I must also refer to the report of the Committee of Inquiry into the Racing Industry of May, 1974. Specifically, on page 210 of that report, a recommendation is made that the N.C.A. be no longer the body to control the industry. Of course, the stewards of this body are the ones who have had control of the various inquiries. Furthermore, the committee specifically refers to and notes the undesirable practice of stewards, who may have an indirect interest in matters through friendships and other associations, conducting inquiries, as at present. Much more can be said, but I believe that there is at least a *prima facie* case for the institution of an immediate inquiry.

The Hon. L. I. KING: I will refer the matter to the Chief Secretary.

UNEMPLOYMENT

Mr. CUMBE: Because of the disturbing increase in unemployment in South Australia and the statement by the Commonwealth Minister for Labor and Immigration (Mr. Cameron) that he was willing to make grants available to affected areas throughout Australia to mitigate the effects of such unemployment, will the Premier say whether he has received an offer from Mr. Cameron on this matter? If he has not, will he say whether he considers that an application from the South Australian Government for assistance would be worth following up? If he thinks that it would be, will he make such an approach?

The Hon. D. A. DUNSTAN: I have not received a specific offer from the Commonwealth Minister for Labor and Immigration. Naturally enough, we are constantly considering the unemployment situation in South Australia and measures that can be taken to alleviate it. In the case of specific proposals to revive certain work programmes undertaken previously with the help of the Commonwealth Government, we will apply to the Commonwealth Minister for Labor and Immigration and to the Commonwealth Treasurer. At present, unemployment is being evaluated to find out what would be the best application to make.

GAS

Mr. OLSON: Will the Minister of Works make available to the House details of the special gas tariff entitlements for eligible pensioners? At present, there is much confusion as to what are the actual entitlements, due to a variation in pensioner tariff concessions. An article under the heading of "Gas price to rise by 18 per cent", which appears in the *Advertiser* of Saturday July 27, contains a statement attributed to Mr. R. Wagstaff (General Manager of the South Australian Gas Company), as follows:

The present upper limit of 30 therms of bi-monthly reading to qualify for pensioner concessions had been removed. This meant that all pensioners would receive concessions regardless of how much gas they use.

I have received complaints from pensioners who have been disallowed the concessions because their readings were over 12 therms.

The Hon. J. D. CORCORAN: I will seek a report and bring it down as soon as possible.

RAPE

Dr. TONKIN: As the Attorney-General knows, there has been an increase in the number of offences involving rape dealt with by the courts so far this year compared to the number during the corresponding period last year. Can the Attorney-General say whether investigations are being undertaken into the reasons for the increased incidence of the offence and, if they are, when the results of these investigations will be made available? It has become apparent, from an examination of the world press, that

there is an increase generally in the incidence of crimes of violence, particularly rape. This is of special concern, the more so because this tendency is increasingly apparent both in Australia and South Australia. Many conjectures have been made as to the underlying causes. For instance, it has been suggested that the increase in the permissive nature of our society may be to blame, and various suggestions have been made as to how to deal with the problem. It has been suggested that some form of legalized prostitution should be introduced. It is apparent that much expert research at some depth will be needed before authoritative statements or recommendations can be made for the guidance of this Parliament and of the community as a whole. The matter being urgent, I am concerned to know what action is being taken.

The Hon. L. J. KING: True, there has been an increase in the incidence of convictions for rape and of allegations of rape made to the police not only during the past year but over a period of years, and this is a matter of concern. It is not easy to know precisely what inference can be drawn from the figures. It has been suggested by some that the increase in the number of reports of rape is less an indication of an increase in the incidence of the crime than of an increase in the willingness on the part of the victims to report their experiences to the authorities. The truth of the matter, however, is that we just do not know the extent to which this is so. I have authorized the criminologist attached to my department (Mr. Claessen) to study the available statistics and the files concerning the reported cases of rape in order to ascertain, if possible, what factors have led to the increase in the number of reports, with a view to identifying the problem and reaching a conclusion as to possible remedies. I do not know how long the study will take. It has just begun. The extent of the study will be considerable and the time required to complete it is at present not known. I shall keep the honourable member informed.

BUILDING PERMITS

Mr. BLACKER: Will the Minister in charge of housing consider introducing legislation and/or regulations to limit the number of building permits issued for the construction of office blocks in an endeavour to encourage greater activity in the building of residential homes? The shortage of residential housing has recently become acute and the difficulties being experienced in the building industry offer little encouragement to think we will find a remedy in the near future. If the activities of the building industry could be focused on house building instead of on commercial building, the long waiting list for houses would be shortened.

The Hon. D. J. HOPGOOD: The administration of the Building Act is committed to my colleague the Minister of Local Government but, regarding the specifics of the question, in the present climate (although not in the past), I have been attracted to the proposition the honourable member suggests, and it has been the subject of widespread comment. However, there is no guarantee that what the honourable member seeks to achieve would indeed be achieved if the course of action he has outlined was adopted by the Government. There are various reasons for this. One is that, when one is talking about people involved in the construction of this type of building, one is talking about a different kind of industry from that in which people who build cottages are engaged. There is no guarantee that the investment that would have to be diverted away from high-rise building would go in the direction the honourable member requires.

One of the presuppositions built into the question, too, is that, as a result of the grave shortage of materials, it is important that they be diverted into the area in which they can do the most good. If the assumption is correct, I agree with the conclusion: cottage building should be given priority over the provision of additional office space. However, that is the subject of widespread comment. I have met builders, both in the cottage industry and in large-scale construction, during the past month who have told me that the shortage situation of the past year is now easing dramatically, so that nails, timber, and bricks are all much easier to obtain today than they were only a few months ago. So, we need no longer look at that state of affairs. It would be a useful economic tool for any Government to have if it could divert resources in this direction. I have already investigated this matter and, in the light of the honourable member's question, I will continue my investigation.

COALYARD RESTAURANT

Mr. GUNN: Can the Premier say whether the Government has provided financial assistance for the proprietors of the new Coalyard Restaurant? My reason for asking this question is that the person managing this new restaurant (John Ceruto) was engaged in the most devious financial practices while proprietor of the Red Garter Restaurant. Mr. Ceruto also carried on his activities after he had sold his interest in the Red Garter Restaurant to a person who has complained to me about those activities.

The Hon. D. A. DUNSTAN: The Industries Development Committee (on which the Opposition is represented) of this Parliament recommended that the Treasurer give a guarantee to the proprietors of the Coalyard Restaurant. Mr. Ceruto is not one of the proprietors: he is an employee of the restaurant management, in which the substantial shareholders are Investment Merchant Finance Corporation and Mr. Myer Solomon. The committee made the recommendation to me, and I acceded to that recommendation. As to the honourable member's use of this House to make a defamatory suggestion regarding Mr. Ceruto, I suggest that he repeat it outside the House.

Mr. Gunn: It's true.

The SPEAKER: Order!

ROAD TRAFFIC ACCIDENTS

Mr. PAYNE: Does the Minister of Transport plan to reorganize the collecting, collating and detailed analysis of road accident statistics? My attention was drawn to this matter by the following statement in the Quarterly Report of the South Australian Road Safety Council:

Unfortunately, the procedures involved in collecting, collating, and processing crash data are necessarily time consuming. In consequence, possible further remedial measures (if, in fact, there are any) arising from analyses and conclusions have to await availability of the statistics. This delay is being looked at.

It is surely clear to all members that this activity could be an important part of any plan to improve safety on our roads.

The Hon. G. T. VIRGO: This problem has been of considerable concern for some time and I am trying to find a solution. Regrettably, it is not easy of solution for several reasons, not the least of which are the legal implications. It is not possible to presume the cause of an accident that may subsequently be the subject of legal proceedings, and this is a constant source of worry. It has been made abundantly clear that accident patterns change dramatically. As a result of some new statistics we

obtained a few months ago, it was clear that those figures required the Road Safety Council to transfer its principal activities from the metropolitan area to the country because of the high incidence of accidents and deaths occurring there.

The Road Traffic Board is trying to computerize this whole problem, but simply computerizing will not necessarily solve it, without ancillary work being done. One of the things we are trying to get clear is that of uniform reporting. We are working on that matter, recognizing the importance of the problem, and I believe that it will not be long before we can positively identify the causes soon after the accident has occurred.

SALISBURY CHILD-MINDING CENTRE

Mr. GROTH: Will the Minister of Education approve of a child-minding centre to be sponsored by the Government and to operate free of charge at Salisbury Further Education Centre? Students who attend this centre have a problem in having their young children minded while they attend classes. This has prompted their teacher to write to me as follows:

The Salisbury Branch of the Further Education Department has been running a private creche since the beginning of this year. This creche has now come to the notice of Mr. Bone, Director of Education, who has ordered that it shall not continue next term. Six of my students in a class of 14 use this service, and this decision means that they will be unable to attend during the third term. It also puts the whole class in jeopardy due to lack of numbers. At Croydon Park Further Education Centre there is a child-minding centre being operated, free-of-charge, by the Government. Will you please ask the Minister of Education, Mr. H. Hudson, if he will take some urgent action to provide a similar service at Salisbury next year? In the meantime, I ask on behalf of my students and many others attending the centre that we should be allowed to continue our present arrangement for next term.

If the Minister wishes, I can make this correspondence available to him.

The Hon. HUGH HUDSON: As I have already received a letter on this matter, it is being investigated now. I will see to it that the necessary decisions are taken as quickly as possible; I will certainly consider the points raised by the honourable member. When I can make a decision on the matter, I will inform him.

DRY CREEK RAIL CROSSING

Mr. RUSSACK: Can the Minister of Transport say when a new bridge will be constructed over the railway line on the Port Wakefield Road at Dry Creek? Although this bridge is not in the Gouger District, it is part of the main highway between my district and the city. On the southern approach to the bridge, there is a four-lane section of highway. During periods of heavy traffic flow, a serious bottle-neck develops at this point, particularly in the late afternoon.

The Hon. G. T. VIRGO: The duplication of the bridge over the railway line at Dry Creek has been held up for a considerable time because of the failure to finalize the standard gauge proposals. As members have been told, the basic principles have been worked out. However, at this stage, I am not sure whether the number or the location of rail tracks for Dry Creek has been established. Until these matters are finalized, it is not possible to do anything about the new bridge. Further, the matter of the availability of funds arises. At this stage, we hope the work will be done in the not too distant future, but I cannot give the honourable member a time table now. If a date can be given, I shall be happy to pass it on to the honourable member.

BASHAM BEACH

Mr. EVANS: As Minister in charge of the State Planning Office, can the Minister of Environment and Conservation say what subdivisions have been approved on land known as Basham Beach in the area immediately east of Port Elliot? The Minister of Development and Mines rightly told me that the planning for Basham Beach is in the area of responsibility of the Minister of Environment and Conservation. In asking the Minister for this information, I point out that most people believe that this area should be preserved and not subdivided.

The Hon. G. R. BROOMHILL: The honourable member is correct in saying that his question should be directed to me. However, I point out that, with the normal courtesy that we expect from the Minister of Development and Mines, he has referred the honourable member's previous question to my department so that information can be provided.

KANGAROO ISLAND WHALE

Mr. CHAPMAN: Will the Minister of Marine assume, or at least share, responsibility for the removal and disposal of a 14 metre whale from Snelling Beach, Kangaroo Island? The whale, which is estimated to weigh about 30 tonnes, foundered and died in the shallows of the beach last week. With no time to determine properly who was legally and technically responsible, the Kingscote council, in its usual reliable way, acted positively in the interests of the environment, tourism, and community health by clearing the massive beast away from the beach and burying it on a nearby farm. Large bulldozers and considerable manpower were necessary in performing this task, the expense involved being about \$1 000. It will be appreciated that every effort was made to establish which department was responsible for cleaning the beach before the dead whale became a fly-breeding hulk, broke up, and ruined the beach for use in the coming tourist season.

The respective departmental officers who were contacted backed off, saying, "It is a local government responsibility." Subsequent investigations now reveal that there is doubt whether local government is responsible for wrecks or other washed-up pollutants found on beaches below the high water mark. As at this stage there is no intention of entering a legal battle, there is a simple request for State finance to pay the expenses. The Minister may care to take up the matter with the Minister of Environment and Conservation, because it has been brought to my notice that, in section 4 of the Coast Protection Act, 1972, "coast" is defined as follows:

"coast" means all land that is—

- (a) within the mean high water mark and the mean low water mark on the seashore at spring tides;

Section 14 of that Act defines the duties of the Coast Protection Board as follows:

- (a) to protect the coast from erosion, damage, deterioration, pollution and misuse;
- (b) to restore any part of the coast that has been subjected to erosion, damage, deterioration, pollution or misuse;
- (c) to develop any part of the coast for the purpose of aesthetic improvement, or for the purpose of rendering that part of the coast more appropriate for the use or enjoyment of those who may resort thereto;

The Hon. J. D. CORCORAN: The honourable member said he did not want to get involved in the legalities of the matter, but he seems to have done a fair bit of research into where the responsibility may lie. I understand that the whale is a royal fish.

Mr. Chapman: No, Mr. Olsen says it isn't a fish.

The Hon. J. D. CORCORAN: True, it is a mammal. Therefore, rightly, I suppose, we should refer the question to Her Majesty the Queen. However, I will not get involved in that, because the honourable member requested me not to get involved in the legalities of the question. I realize the problem that this situation has posed to local people, and the honourable member has made me aware of the difficulties of those involved in disposing of the mammal. As Minister of Marine, I do not think the responsibility lies directly with me, but perhaps the Treasurer would be interested if the sum of \$1 000 was involved. I do not want to put myself in the position of accepting the responsibility, because I may be told that the amount involved may be charged against a line under my control. However, I will examine the question to ascertain whether the Government can help as suggested by the honourable member.

PRIMARY SCHOOL CURRICULUM

Mr. GOLDSWORTHY: Is the Minister of Education satisfied that basic skills are receiving sufficient emphasis in the South Australian primary school curriculum? The Minister is aware that, from time to time, criticism is made of the curriculum being followed in primary schools. Indeed, he has established a committee, in which parents are involved, to consider this matter. As a result of my overseas study tour last year, I made comments that have been repeated by others. In a recent article in the *Advertiser*, Mr. Pinder, an education officer, was reported as saying:

Emphasis in United States education is swinging back to the three R's and to training likely to lead to a job. I had said precisely the same thing. The headmaster of an English primary school told me that there had been a return to the three R's in education after a period of neglect. A new curriculum for mathematics was introduced some years ago in South Australian primary schools, and people such as Professor Potts, of the University of Adelaide, suggested that the sooner the new methods were thrown out and we returned to tables and mental arithmetic, the better. These are matters of considerable interest to the community. From my observations as a secondary teacher teaching senior school physics, I encountered a considerable problem with students not being able to cope with the basic mathematics of physics. I pointed out to a mathematics consultant who was visiting the school that students could not do basic mathematics and he said, "What does it matter; they are getting mathematical ideas." That did not seem to me to be a satisfactory state of affairs. The Minister has also stated that teachers of remedial reading are being appointed to secondary schools, a situation that indicates to me that reading has perhaps been neglected in primary schools for some time. Is the Minister satisfied that enough emphasis is being placed on the basic three R's (as they are popularly called) in our primary schools?

The Hon. HUGH HUDSON: I think it would be wrong for the honourable member to generalize on the basis of his experience as a secondary teacher. His experience as a secondary teacher would be with students who had spent most of their primary years during the period when South Australian primary schools had large class sizes. It is relevant to note that, in the last seven years or eight years, there has been a substantial reduction in the pupil-teacher ratio in primary schools and, therefore, a substantial improvement in the ability of our primary schoolteachers to ensure that the basic skills are properly understood. The difference involved for a primary

schoolteacher when he or she is dealing with a group of children of, say, 28 or 30, compared to a group of children numbering 40 to 50, is very extraordinary indeed because, with the larger group, the ability of the teacher to give individual attention to students having problems with basic skills is limited. As the honourable member would appreciate, the problems associated with basic skills, whether they be mathematical or in communication (such as in reading, writing or English language), cannot be solved in a short time. No doubt the honourable member, having had experience with students who are trying to overcome difficulties in basic skills, would be aware that years of effort is necessary to overcome the difficulties. From my experience at the tertiary level, a student with difficulties in basic skills is clearly at a considerable disadvantage, and the effort necessary to solve these problems is inordinately great.

Mr. Goldsworthy: Answer the question: we all know what you are saying.

The Hon. HUGH HUDSON: The honourable member has certain difficulties in ratiocination. I should have thought the conclusions from my remarks are, first, that the teaching of basic skills is fundamental in the primary section of education, and, secondly, to solve the problems and remedy the deficiencies in skills at secondary and tertiary level takes a long time. I was replying to the honourable member's question, but, because of his logical difficulties, he was not aware that I was doing so. Having said that, I say that for many years since the Second World War, even during the years when traditional attitudes prevailed in respect of curriculum in primary education, there were serious deficiencies in the teaching of basic skills in our primary schools, because schools were understaffed and also in terms of the training of people employed. We have a situation now that is not especially the product of modern attitudes to methods of education and teaching, but rather a product of years of neglect of the education system. The honourable member was dealing with problems that were a product of those years of neglect when he taught in secondary schools. I do not think any school administrator in the area of primary education would be willing to say that the teaching of basic skills is not fundamental: it is, and always will be.

Mr. Goldsworthy: It was interpreted differently before.

The Hon. HUGH HUDSON: When it comes to remedial problems, the extent to which the department has become involved in dealing with those problems in recent years indicates its concern with basic skills. The problems are more readily dealt with at the primary level than they are at the secondary level or the tertiary level. It must be recognized that remedial problems do exist, and that to cater for such children small class sizes are needed, which did not exist during all the years of a Liberal Government in this State. This problem requires people who are competent to deal with these difficulties. For most of the years since the Second World War, the Education Department has not been properly staffed in that respect either. When I became Minister of Education, South Australia was the worst State in Australia regarding the provision of guidance officers. However, although we are not the best by any stretch of the imagination, we have made progress and are no longer the worst State. We have trebled the number of guidance officers in the Education Department over the past four years. The remedial work to be carried out to ensure that children who need basic skills get them has been concentrated at the primary level. Nevertheless, we have a responsibility also to

try to help students who have left the primary level of education but who still have problems with basic skills. The feeling of responsibility towards those secondary school students is one of the reasons why, during the last year, there has been such a concentrated effort put into remedial work at secondary level as well. I do not believe that the honourable member, despite the Education Department's concern to see that all sorts of activity (other than basic skills) occur within our primary and secondary schools, thinks it is appropriate to suggest that there is a basic attitude in the department that the teaching of basic skills is not fundamental. It is; I will always claim it is; and I am sure my officers will do the same.

PORT AUGUSTA CENTRAL SCHOOL

Mr. KENEALLY: Will the Minister of Education obtain the time table applying to work that is to be effected at Port Augusta Central Primary School and on the upgrading of the schoolyard? During a recent visit to the school I was appalled to see the extent to which the bituminized surface of the yard had deteriorated. On inquiring, I was told that the Education Department had accepted that work had to be done to upgrade the yard. I understand the work is to include the demolition of the old schoolhouse and other buildings, as well as the provision of a grassed playing area. As this is a matter of extreme urgency, I ask the Minister whether he will obtain the report I have requested.

The Hon. HUGH HUDSON: I am not familiar with the problem to which the member for Stuart refers, but I will see that the matter is investigated and will bring down a report as soon as possible.

METRICATION

Mr. BECKER: Can the Minister of Transport say whether the metric conversion of road signs has been completed? In addition, when will copies of the important rules to be observed by motorists wishing to obtain licences be reprinted and available to the public? My attention has been drawn to a road sign in long tons and a clearance sign in feet and inches near the Motor Vehicles Department. Confusion may be caused not only to motorists already on the road, but more particularly to people learning the rules of the road. Will copies of the booklet be updated to avoid this confusion and will all road signs be changed to metric or will some remain unchanged, as is the case at railway crossings that still show the maximum penalty in the old currency, even though we changed to decimal currency on February 14, 1966—about 81 years ago?

The Hon. G. T. VIRGO: I did not hear the last part of the honourable member's question. I thought he was referring to speed limit signs, not decimal currency.

Mr. Becker: Where people are required to stop at railway crossings the signs directing them to stop show the maximum penalty in the old currency.

The Hon. G. T. VIRGO: I believe that everyone can convert pounds to dollars. As far as I am aware, all destination and speed limit signs have been converted (I am talking about those road signs under the care and control of the Highways Department). I believe that the Commissioner of Highways is proceeding currently, but on a less intensive scale, to convert distances on concrete roadside posts.

Mr. Coumbe: The old mile posts.

The Hon. G. T. VIRGO: The posts at the side of the road. However, he does not regard the changeover of those posts as being of such importance that they have

to be changed virtually overnight, as were other signs. I concur in his view on that. Concerning the published booklet, I presume the honourable member was referring

Mr. Becker: The brochure used by people wishing to obtain a licence.

The Hon. G. T. VIRGO: The pamphlet issued by the Registrar of Motor Vehicles that is used by people to study the road laws with a view to obtaining a licence?

Mr. Becker: Yes.

The Hon. G. T. VIRGO: I should be amazed if the speeds in that brochure were still quoted in miles an hour but, if that is so, I will certainly have the matter looked at immediately.

PARLIAMENT HOUSE STEPS

Mr. RODDA: Can the Premier say whether he will be meeting, in his office on Saturday morning, the lady of music who is currently parked on the footpath in front of Parliament House? Will he see that the vehicles cluttering up the front of Parliament House are removed? I am not a permanent resident of this fair city, as I spend only three days each week here, staying adjacent to the district of the member for Mitcham. However, from conversations I have had outside the House, it appears that there is much disquiet about this lady's demonstration and that it is not being looked at favourably by the people of this city.

Mr. McAnaney: What about the problems at Flinders University?

Mr. RODDA: People using the footpaths in peak hours, as I have indicated previously, do not appreciate vehicles cluttering up footpaths. What are the intentions of the Premier in regard to clearing up the facade of Parliament House?

The Hon. D. A. DUNSTAN: The matter of keeping the footpath clear and of seeing to it that there is no obstruction is one for the Commissioner of Police. No direction has been given to the Commissioner by the Government on that score. It is within his discretion how he handles the matter. As to the lady's coming to see me, may I say that she is a constituent whom I have known for many years. She could have made an appointment to see me at my electorate office at any time, but she did not do so. When she applied for such an appointment she was granted one. She has not had a victory by camping in front of Parliament House: she just never applied for an appointment.

Mr. Mathwin: Is it your washing that she has on the line?

The Hon. D. A. DUNSTAN: No, it is not. I assure members that that washing has nothing to do with me: although it is a most colourful sight, it is not part of my establishment. Personally, I believe that the demonstration by parking these vehicles at the front of Parliament House has been particularly stupid and useless. It has achieved absolutely no purpose, although it has been done to gain publicity for what this lady intends to do to get community support to carry on a certain activity which she considers to be a considerable benefit to other people and for which she wishes community support by way of payment. However, before she went there she had not sought an appointment with me or with the Minister of Community Welfare, and she went there only for publicity purposes. I notice that newspaper reports have stated that, by being at the front of the House, she has obtained some victory as a constituent in being able to see me, but as a constituent she could have seen me a long time ago, if she had wanted to.

Mr. Millhouse: You could have gone out the front and spoken to her.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I do not see any reason why the lady concerned could not have proceeded in the normal way that one would expect any other constituent or member of the public to proceed. The honourable member can go out there and connive at this kind of nonsense if he likes.

Mr. Millhouse: Haven't you any humanity left?

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The honourable member can go out there and connive with this kind of nonsense if he wishes.

Mr. Millhouse: Don't be absurd.

The Hon. D. A. DUNSTAN: The honourable member is the one who is being absurd.

Mr. Millhouse: You're just too big for your boots; that's your trouble. It's just a matter of walking down the steps and speaking to her.

The SPEAKER: Order! The honourable member for Mitcham will be walking down the steps in a minute if he is not careful. The honourable Premier.

The Hon. D. A. DUNSTAN: I think that that would be more appropriate, Mr. Speaker.

Mr. Mathwin: Do you think the laundry on the line belongs to the member for Mitcham?

The Hon. D. A. DUNSTAN: I will not make any comment on that subject: I have no knowledge of the honourable member's washing. The way in which people should proceed to approach Ministers or members is not by camping at the front of this House and then demanding that someone come down from his office to see them out there. If those people want to see Ministers or members, there is an easy way for them to go about it, and that is by applying for an appointment. When an appointment is sought, it is given. The lady concerned, as one of my constituents, could have had an appointment before she went there.

Mr. Venning: She won't vote for you next time.

The Hon. D. A. DUNSTAN: I do not know about that: I have received a telegram from her stating how much she admires and reveres this Government.

WHEAT

Mr. VENNING: Will the Minister of Works ask the Minister of Agriculture to find out the true position regarding the proposed payments of \$7.35 a tonne (20 cents a bushel) of wheat that it was forecast would be paid to the wheatgrowers of Australia during August? Further, will the Minister ask his colleague to find out whether the sum has been eroded away, never to be regained, by additional costs to the Wheat Board that have been brought about by strikes and delays on the waterfront, especially in the Eastern States?

The SPEAKER: Order! The honourable member is making a comment.

Mr. VENNING: No, I am just reading—

The SPEAKER: Order! The honourable member is making a comment.

Mr. VENNING: The Wheat Board announced that this month there would be a payment to growers of \$7.35 a tonne on their last crop delivery. Recently it was announced that that sum would not now be paid, because of industrial strife, particularly in the Eastern States, so a further announcement has been made because of pressure from people who have committed themselves and who were expecting this money to be paid. The

Wheat Board announced that 7c would be paid, possibly in October. I ask the Minister to find out from his colleague what is the true position regarding the 20c and whether it has been eroded away, never to be regained, or whether eventually the growers will get this amount of money in their future payments.

The Hon. J. D. CORCORAN: I shall be pleased to take the matter up with my colleague so that he can make the appropriate inquiry. I should have imagined that the press report to which the honourable member referred would be researched properly.

The Hon. Hugh Hudson: You can't be sure, though.

The Hon. J. D. CORCORAN: That is true. On a matter as important as this, and it is important—

Mr. Venning: Tell him not to go just to Grant Andrews.

The Hon. J. D. CORCORAN: I said I recognized the importance of the honourable member's question. I will ask my colleague to inquire in the appropriate place and, if the honourable member suggests that the Minister do not approach only Mr. Grant Andrews (General Secretary of United Farmers and Graziers Incorporated), I will tell my colleague that.

At 3.15 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

BUILDERS LICENSING ACT AMENDMENT BILL

The Hon. D. J. HOPGOOD (Minister of Development and Mines) obtained leave and introduced a Bill for an Act to amend the Builders Licensing Act, 1967-1973. Read a first time.

The Hon. D. J. HOPGOOD: I move:

That this Bill be now read a second time.

It is designed to amend the Builders Licensing Act in two main areas. First, it deals with certain relatively minor deficiencies that have appeared in the practical operation of the Act. The Bill expands upon the statutory prerequisites to the obtaining of licences by requiring applicants to have the capacity to organize, supervise and control building work of the relevant kind. The Bill closes a loophole in some provisions of the Act under which it appears possible for an unqualified person virtually to carry on business as a general builder through the instrumentality of subcontractors.

This deficiency became apparent in the recent case of *Andrew v Cox*. In that case, an architect called for and accepted tenders from tradesmen, co-ordinated their activities, and gave directions as to the performance of their contracts. No general builder was engaged. Mr. Justice Hogarth held that the architect had not "caused" the construction of a building contrary to section 21 (11) of the principal Act. The Bill therefore expands subsections (6) and (11) of section 21 to deal with a person who "organizes" or "arranges for" the performance of building work.

At the same time, a new subsection (21) is inserted to protect an architect acting in the ordinary course of his profession. The combined effect of these amendments will be to prevent unqualified persons from taking advantage of the interpretation placed on the provisions by Mr. Justice Hogarth, while allowing properly qualified persons to practise their professions without impediment. The Bill also prevents the holder of a restricted builder's licence from undertaking to carry out work outside the scope of his licence.

The most important aspect of the Bill relates to the Builders Licensing Board. The Bill is designed to convert the board into an administrative body, and to separate out its *quasi* judicial functions. These will be vested in a new body to be known as the Builders Appellate and Disciplinary Tribunal. In future the board will have the administrative function of granting licences and will exercise a general supervisory oversight of the work of licensed builders. There will be a right of appeal to the Builders Appellate and Disciplinary Tribunal against any decision of the board. This tribunal will have power to reverse decisions of the board and to exercise the disciplinary powers which were previously vested in the board.

This separation of powers will leave the board free to exercise its consumer protection function. Where complaints are made to the board about defective workmanship, the board will be able to call the builder in question before it and, if it appears necessary to do so, order him to undertake remedial work. It is intended that the board shall have power to act as quickly and expeditiously as possible, and clearly, this is inconsistent with the formal procedure for an inquiry. Therefore, in those serious matters in which an inquiry must be held, that inquiry will be held by the separate tribunal. As the remainder of the explanation deals with the specific clauses of the Bill, I seek leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF CLAUSES

Clauses 1, 2 and 3 are formal. Clause 4 inserts in the principal Act a definition of "the tribunal". Clauses 5, 6, 7 and 8 make consequential amendments. Clause 9 provides for the publication of the register of licensed builders in October of each year, instead of in March. Clause 10 makes a consequential amendment. Clauses 11 and 12 provide that an applicant for a licence must have had such experience as would render him fit to organize, supervise and control building work of the relevant kind.

Clause 13 provides that the board, when it refuses an application for a licence, must give reasons in writing for its refusal. Clause 14 repeals sections 18 and 19 and enacts new Parts IIIA and IIIB of the principal Act. New Part IIIA confers new powers upon the board. It provides that the board, upon receipt of a complaint, or of its own motion, may conduct an investigation in order to ascertain whether the holder of a licence has carried out building work in a proper and workmanlike way. If the board finds that building work has not been carried out in the proper manner, it may order the holder of the licence to carry out remedial work.

The board may further order the licensed builder to produce certificates from qualified persons certifying that the remedial work has been carried out properly. Part IIIB constitutes the Builders Appellate and Disciplinary Tribunal. The tribunal is to comprise a chairman (who will be a Local Court judge) and four other members with special expertise in the building industry. The tribunal is given the various disciplinary powers that were previously exercisable by the board. In addition, the tribunal will be competent to entertain an appeal from any decision of the board itself.

Clause 15 repeals section 20 of the principal Act. This provision is no longer necessary in view of the provisions of Parts IIIA and IIIB of the Bill. Clause 16 amends section 21 of the principal Act. The amendments increase penalties under the various provisions of section 21. The holder of a restricted builder's licence is prohibited from contracting to carry out work outside the scope of his

licence under the provisions of new subsection (3). New subsection (6) prevents a person from organizing, or arranging for, the construction of a building for immediate sale, or for immediate letting under lease or licence, where the construction is not to be carried out under the personal supervision and control of the holder of a general builder's licence. Corresponding amendments are made to subsection (11). These amendments do not, however, affect a registered architect who is acting in the ordinary course of his profession.

Clause 17 amends section 22 of the principal Act, which confers on the board certain powers of entry upon land. The amendment is made to make clear that the board has power to make the various inspections that will be necessary if it is to exercise its supervisory role in ensuring that licensed builders carry out their work properly. Clauses 18 and 19 increase penalties.

Mr. EVANS secured the adjournment of the debate.

PAY-ROLL TAX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 8. Page 380.)

Mr. CUMBE (Torrens): I oppose the Bill because of the additional impost being placed on South Australians by the taxation measures it contains. I am taking the opportunity, in the formal Parliamentary way, to express my protest against a Bill that imposes a charge on the people of South Australia. It is also a thoroughly bad Bill in principle. It is another of the numerous tax measures announced recently by the Treasurer to be levied this year on the unfortunate people of South Australia. I understand from a statement made by the Treasurer, I think on Tuesday, in reply to a question I asked, that in the Budget he proposes to introduce next Thursday there will be charges additional to those already announced. Although it is a short Bill, it contains several bad features.

First, it applies a sectional tax, and it has always been recognized that pay-roll tax is purely a sectional impost. In principle, I am against taxes imposed on one section of the community, although I know there can be exceptions to that. This is a regressive measure, because it imposes a tax on one section of the community and not across the board. Secondly, and I think this is significant, the Bill in itself is highly inflationary. The imposition of these provisions will in themselves increase the cost of production and thus the cost to the consumer in the long run, just as other tax measures which have been, and possibly will be, announced will generate inflation. It is a tragedy to have taxes announced from time to time which add to the severe inflationary conditions we are experiencing.

It is interesting to recall the history of pay-roll tax in this country and, in recent years, in South Australia. Since the States took over the responsibility for collecting pay-roll tax, the rate of that tax has increased three times in three years; that is not a bad effort in anyone's language. An increase of 100 per cent in the rate of pay-roll tax has occurred within three years, the rate having risen from 2½ per cent to the proposed 5 per cent. Indeed, the moneys collected in that period have increased by far more than 100 per cent. Pay-roll tax was first introduced by the Commonwealth Government during the Second World War as a war-time measure, because of the necessity at that time of attracting additional revenue to the Commonwealth as part of the war-time effort. The tax was not removed after the war and it continued for many years until it was ceded to all the States by the

then Commonwealth Liberal Government. When the matter of collecting pay-roll tax was handed over to the States in 1971, it was 2½ per cent, which it had been since its inception during the Second World War. In 1971 it was increased from 2½ per cent to 3½ per cent; in 1973 it was increased from 3½ per cent to 4½ per cent; and in 1974 it is proposed to increase it from 4½ per cent to 5 per cent.

What has been the revenue to the State of South Australia from pay-roll tax since 1971? This is the type of growth tax that is a Treasurer's dream, because without any effort Treasury revenue is increased, and the tax keeps snowballing. In that part of 1971-72 that pay-roll tax operated, the State received \$23 436 000; in 1972-73 (a full year) it was \$34 980 000, which was an increase of more than \$11 500 000. In the 1973-74 financial year the Treasurer has indicated that the amount received from pay-roll tax amounted to a staggering \$54 276 000, compared to a budgeted estimate of \$49 000 000. This increase has been due to the weekly wage rate increasing.

The Hon. D. A. Dunstan: And the additional payments out have been a Treasurer's nightmare, too.

Mr. CUMBE: I am sure the Treasurer would be the first to agree with me that he likes to have a growth tax at his command.

The Hon. D. A. Dunstan: Yes.

Mr. CUMBE: As wages escalate, they attract pay-roll tax, which is reflected in the return. I think that the increase last year of about \$5 000 000, as against the budgeted return, was caused by the escalation of wages during the year. That represents an increase of \$19 296 000 over the return for the previous year and that is a considerable increase; it is 5¼ per cent above the budgeted estimate. For the remainder of the 1974-75 year, it is estimated that there will be an increase of \$5 000 000 and, for the full succeeding year, an additional \$7 000 000. I believe that is a conservative estimate, and I do not know what allowance has been made for wage escalation but, if no allowance has been made, the figure of \$7 000 000 for the 1976-77 fiscal year may be greatly increased. I think it is fair to ask why this Bill has been introduced into the South Australian Parliament. The answer was given by the Treasurer in his second reading explanation in which he said (and I am being fair, because all Treasurers are doing this exercise:

... when it became apparent that the Australian Government did not intend to increase its financial assistance to the States, and that all States would need to increase their revenues to meet expected revenue deficits in the forthcoming financial year.

The reason why we are considering this legislation is the very shabby deal the Prime Minister has handed out to the various States. That, I think, is starkly and vividly indicated not only by this measure but also by other measures which the Treasurer is introducing. This, in itself, shows up the Commonwealth Government's bad financial management of the country. I repeat, as I did last evening, that no-one heard anything about this type of legislation prior to the May 18 election, but we are now hearing about it time and time again.

I turn now to another feature of the legislation, namely, the bad section dealing with exemptions. I have already said that pay-roll tax in South Australia has been increased three times in three years, involving a 100 per cent increase, yet the exemption limit has not been adjusted. From the research I have been able to undertake, and to the best of my knowledge, the exemption limit has not been adjusted for at least 15 years, or possibly even longer.

The Hon. D. A. Dunstan: Do you know that other States are intending to narrow the exemption?

Mr. CUMBE: I know that other States, particularly Victoria, are considering giving an incentive by reducing pay-roll tax by one-half of 1 per cent to encourage decentralization.

The Hon. D. A. Dunstan: I am referring to Western Australia, which is considering limiting exemptions.

Mr. CUMBE: I am speaking for the people of South Australia, and that is my job. As far as I can ascertain (and I have gone back about 15 years), the exemption has not been adjusted. According to the latest Auditor-General's Report, dated June 30, 1973, 6 448 employers were registered under the Act. The object of the exemption clause, when first introduced (and I am sure that the Treasurer will agree with me), was to exempt a certain small group of employers from pay-roll tax; it was never intended that this group would ever be caught by the provisions of the Act. Unfortunately, as a result of the escalation of wage scales in the country in recent years, we are now finding that, for the first time, employers who were formerly never caught by the compass of the Act are now to be brought within it. A small establishment with perhaps only four or five people at the most may now have to pay pay-roll tax. The \$1 733.33 monthly exemption limit, because of the increase in money payments (not necessarily money values) needs urgent consideration by the Treasurer. I am unable to move an amendment at the appropriate time, because Standing Orders and the Constitution Act of this State prevent me from doing so. Otherwise, I would have placed an amendment on members' files to see whether I could achieve this object.

I repeat that the Treasurer will gain a considerable sum as a result of the imposition of this measure. I oppose the legislation and, as a member of Parliament, I protest against a Bill that will introduce an additional impost on the people of the State. Although the Treasurer may say that the Bill is the result (as it is) of an agreement reached by all Premiers, the main reason why pay-roll tax is to be increased is the extremely shabby deal handed out to the States by the Treasurer's so-called friends and colleagues in the Commonwealth Government because of their mismanagement of the country's financial affairs. The States are receiving a raw deal, and more and more power is being placed in centralist hands in Canberra.

Mr. BECKER (Hanson): In supporting the remarks of the member for Torrens, I point out that, ironically, we are now dealing with a second piece of legislation that will place a greater impost on the community and that we are dealing with the second phase of increased taxes for the people of South Australia at a time when inflation is running at the highest rate we have known for about 20 years. Pay-roll tax contributions to the Revenue Account of the State in the last financial year to June 30, 1974, amounted to \$54 276 000, at a time when it was estimated that the State Treasury would receive \$49 000 000. The State Treasury benefited from inflation during the last financial year and, as pay-roll tax is a type of growth tax it will benefit still further. As said by the member for Torrens, the Treasury will receive an additional \$5 000 000 in pay-roll tax this financial year.

Therefore, revenue from pay-roll tax, we can assume, will amount to almost \$60 000 000—the highest single sum raised in the Revenue Account through indirect taxation. Responsibility for collecting this growth tax

was handed to the States by a Commonwealth Liberal Government and, when we debated the legislation in the House on August 25, 1971, I said that the States were lucky, and I congratulated the Commonwealth Government on handing this matter over to the States. I said the States were lucky because the legislation could prove to be a winner for them. It now appears that my prediction is coming true.

Pay-roll tax was introduced originally in 1941 as a measure to finance child endowment. Although it is a long time since child endowment has been increased, this legislation will not benefit families in this State, because it will add to the cost of business generally. Unfortunately, we have experienced during the past year many increases in wages and general operating costs, and these have been passed on to the consumer. There is no way in the world that industry can contain this tax, so it must be passed on to the consumer. The Treasury must be well aware of that. My colleague said that the specified sum of \$20 800 a year (\$1 733 a month, or about \$400 a week) would involve many employers. In fact, it will probably include most employers in the State. Therefore, by this means the State benefits from growth in industry. This is a growth tax; it taxes people with initiative and enterprise who are willing to start off in business. As they gradually develop and employ people, they face the penalty of paying 5 per cent tax on their monthly wage and salary bill. In certain industries, allowances also come into the figure. This will not be a popular tax, especially at a time when economic experts predict that inflation will continue.

Little effort is being made by the Commonwealth Government to contain inflation. On the other hand, if predictions that have appeared in the newspapers of unemployment figures reaching 200 000 or more are correct, the Treasury could slip, because whilst people are unemployed industry does not pay pay-roll tax. However, we do not want to see an increase in unemployment. Another prediction is that there could still be a deficit Budget. If the financial affairs follow the pattern they followed last financial year, the Treasurer may be fortunate in predicting a deficit Budget. Only because of events in certain areas and the benefits of inflation did the result turn out as it did last year. I believe the Government will benefit again in these areas. The Treasurer has said that other States are considering reducing the exemption figure with regard to pay-roll tax. If we wanted to join the rat race, we could probably compete with the other States in attracting new industries here. An incentive could be offered in the area of pay-roll tax and, by offering increased exemptions, industry could be attracted here. However, the whole matter of the State's finances and the economy must be considered in a sensible way, before we decide to adopt the attitudes and policies of Governments in other States.

I consider that we should look at other areas of the Revenue Budget in order to avoid continually increasing taxes. Any bush accountant would agree that in a period of inflation imposts should be made, heavy borrowings undertaken, and taxes increased, with no-one really complaining. Surely the day must soon come when continual wage and price increases will cease. If the profitability of certain industries slips, they will make this up in costs, and prices will increase again. The old price control racket is well known, and that is what has been happening in this State. As this impost causes the greatest concern to small industries, I do not like it.

Mr. RUSSACK (Gouger): I oppose the Bill, which displeases me. Previous Opposition speakers have referred to the origin of this tax. On May 2, 1941, the Commonwealth Government introduced it, as the member for Hanson said, to offset the payment of child endowment. The reason for the tax has thus drifted from its original purpose, as child endowment is essentially a Commonwealth matter and the tax is now raised by the State. Regardless of which Government introduced the tax, I do not know how it can be justified. As I have never been able to understand why an employer should be obliged to pay tax for the privilege of employing people and paying wages. I do not think this is a justifiable tax. However, the States were looking for a growth tax, and undoubtedly they have found it in this pay-roll tax. It has already been pointed out how the rate of the tax has escalated and how the revenue raised in this way has increased over the last few years, particularly since the State has had control of this means of revenue raising.

I wish to point out how the tax affects a small country business. As members know, most country towns have declined over the years. Business in those towns that are doing their best to continue to operate and provide employment are once again being hit by this form of taxation. Many small businesses are of just the size and structure to be affected greatly by this tax. When I saw that this Bill would be introduced, I contacted three different types of small business in two towns. I will show how the tax has escalated in these businesses in the last four or five years. In one business, in 1970 the staff was 16 and the tax payment was \$552; in 1971, with 14 employees, the tax was \$455; in 1972, with 16 employees, the tax was \$608; in 1973, with 16 employees, the tax was \$754; and in 1974, with 16 employees, the tax was \$1 557. Therefore, with 16 employees, the amount of tax trebled between 1970 and 1974. It is easy to see the impact the tax has had on that small business.

A second company, with a staff of 10 employees in each year, paid tax of \$547 in 1970, \$780 in 1971, \$1 180 in 1972, and \$1 358 in 1973. This business provides a service that is necessary in the district. However, because of increasing costs, its number of employees had to be reduced in 1974 from 10 to eight, yet the tax in that year was \$1 410. Another retail general store, mainly a clothing store, paid tax of \$619 in 1972, \$629 in 1973, and \$1 368 in 1974, and its employees numbered between 13 and 14 for that period. How will this sort of firm be affected by an increase of $\frac{1}{2}$ per cent? I realize that the Treasurer must have revenue, but, with the escalation of wages, the small business is being hit very hard, and other businesses are being drawn into the net. It would be interesting to know the number of small businesses paying pay-roll tax in 1974 that did not pay the tax in 1972. I support the suggestion, by the Deputy Leader of the Opposition that the amount of the exemption figure should be raised.

With other honourable members I express grave concern about increased costs in rural areas and country towns, because they will cause difficulties. In a retail business it is inevitable that any increases will be passed on, where possible, to the consumer. The primary-producing industry will face a grave situation in such an event, because, when the price of produce decreases and costs increase, sufficient spending power is not available, as there is only one source from which trading can be expected. At present in some country centres stores have experienced a decline in retail trading, and I

sincerely urge the Government to consider increasing the amount of exemption, even if it is necessary to increase the amount of tax.

At present South Australia is being deprived of money from Commonwealth sources. When the mini Budget was introduced, the Premier said on July 24, "There is worse to come," indicating that there would be increases in taxation. Obviously, that increase is necessary because of the reduction of the amount of funds from the Commonwealth Government. I oppose the measure, and can never understand why such a tax can be justified. If the amount of exemption is not increased, many small businesses will find it not only difficult to continue but also, with rising costs, well nigh impossible to survive.

Mr. McANANEY (Heysen): I, too, oppose the Bill. This is a bad tax because it is inflationary, and expert accountants should carry out an exercise to ascertain what the State will get in return for the money collected. It has been claimed that the Treasurer must have this revenue. However, this year there will be a \$29 000 000 loss on railway services, because money is spent to subsidize passenger services in and around Adelaide. For the Overland, the Government provides more than half the cost of that service. A fundamental principle of economics is that one must pay for what one gets, and this is a principle that should be investigated by the Treasurer. How much longer can the State increase its expenditure at a rate of 20 per cent when the gross national product is not increasing at that rate?

Last year the State Budget was balanced, because an upsurge in the economy caused many transactions to take place in areas in which taxation was collected, but a quiet period of business could result in a serious situation in which services would be reduced. The Treasurer must realize that we cannot spend money if there is no prospect of getting it back. I cannot see any point in increasing taxes while, at the same time, we make further losses on public utilities. The moneys collected should be used for community welfare projects and on the essentials of life that the people of South Australia expect to enjoy.

The Hon. D. A. DUNSTAN (Premier and Treasurer): If members opposite oppose this measure, they are moving to reduce the State's revenue this year by about \$5 000 000 and about \$7 000 000 in a full year, which means we shall have to sack about \$7 000 000 worth of employment in South Australia. Members opposite must show how Government expenditure can be further reduced if they will not support revenue-raising measures to allow the Government to continue its present services.

Mr. Gunn: Straighten out the railways for a start, and you'll get somewhere.

The Hon. D. A. DUNSTAN: If we were to reduce railway expenditure by \$5 000 000 or \$7 000 000 it would mean cutting out country rail services in South Australia. If the member for Eyre does not want rail services in his area—

Mr. Gunn: I never said that.

The Hon. D. A. DUNSTAN: The honourable member suggested we straighten out the railways, but if such a reduction were made in railway expenditure we would have to reduce services and the area in which those services would have to be reduced would inevitably lead to cuts in expenditure of between \$5 000 000 and \$7 000 000, meaning that country services would have to go.

Mr. McAnaney: With increased freight rates you'll be running empty trains, anyway.

The Hon. D. A. DUNSTAN: That is what would have to happen: there would have to be cuts in country services. Freight rates were increased in South Australia to bring them into line with those charged elsewhere in Australia. If the member for Heysen wishes to go on increasing costs to country people in this State let him get up and—

Mr. Goldsworthy: Why don't you use your good offices with Gough?

The Hon. D. A. DUNSTAN: It seems that is the only answer the member for Kavel has.

Mr. Gunn: That's what you used to tell us to do.

The Hon. D. A. DUNSTAN: I have constantly heard members opposite asking me to use my good offices in some place or another. However, the situation facing this State financially is that we have to bridge the gap between the cost of services and the revenue derived therefrom, or markedly reduce services to the State. If members propose a reduction in services, then they have the responsibility of getting up and saying who is going to be sacked.

Mr. Becker: That's not what we said.

The Hon. D. A. DUNSTAN: The member for Hanson can suggest all sorts of funny monetary policies, but there is no other way of doing this. There is no other way of our raising the \$5 000 000 to \$7 000 000 without sacking people in South Australia and reducing services we have given previously. Some members opposite do not care about the employment situation. The services asked for by the member for Hanson in his district would have to be curtailed. The honourable member has a bad habit of getting up and asking why the Government is not doing something about some matter or another. If the honourable member wants services in this State, money must be raised to pay for them. Proposals in this State for raising revenue are nowhere near as Draconian as the great imposts of New South Wales, Victoria, and Western Australia. The measures proposed by the Governments in those States go far beyond what has happened here because, frankly, I have been much more conservative in South Australia than Premiers in those States.

Mr. Payne: And a better manager, too.

Mr. Coumbe: Why did you accept the cut-back from the Prime Minister?

The Hon. D. A. DUNSTAN: Is the honourable member talking about Premiers generally or about me?

Mr. Coumbe: In this State and others.

The Hon. D. A. DUNSTAN: The honourable member is talking about all the States.

Mr. Coumbe: It's a fact though.

The Hon. D. A. DUNSTAN: The honourable member is talking about all the States, but I will tell him clearly why the States were cut back. It was Treasury advice that the level of demand following the previous two Commonwealth Budgets, including a Liberal Budget, was running at a level that was dangerously inflationary from a demand-pull point of view. Therefore, there had to be a reduction in demand liquidity in Australia and that could not be achieved solely by the Commonwealth Government's raising direct or indirect taxes, so it had to be done by the State's raising indirect taxes. That is why the policy was imposed: it was on direct Treasury advice from the same Treasury officers who gave the same sort of advice to Mr. Gorton when he was Prime Minister.

Mr. Coumbe: And you complained about it.

The Hon. D. A. DUNSTAN: I complained about it all right; I do not conceal that fact one bit. I complained about it, and I am still complaining. However, complaints

have not got me as far as I would have wished and I am now faced with the difficulty that I must make ends meet. The member for Torrens can get up and put on all the show he likes, but the result of his vote in this State will not get any more money out of the Commonwealth. Instead it will mean we will have to sack people in South Australia. Is that what members opposite really want?

Mr. Becker: No, but—

The Hon. D. A. DUNSTAN: Then let members opposite take the responsibility. The other States are faced with this situation and responsibility, too. Are members opposite going to oppose a tax that Liberal Governments in other States have imposed in exactly the same way? If members opposite would not do that when in office, why are they doing it now in Opposition? They are being utterly irresponsible. There is no answer to it.

Mr. Coumbe: As a protest—

The Hon. D. A. DUNSTAN: The honourable member is saying that he is voting against this measure merely as a formality.

Mr. Coumbe: I am expressing a protest.

The Hon. D. A. DUNSTAN: Nevertheless, the honourable member will vote against it as a protest not against this Government but against the Australian Government.

Mr. Coumbe: Don't take it in isolation.

The Hon. D. A. DUNSTAN: That's the sort of thing the honourable member is carrying on with. If he really means what he is saying, he should take the responsibility for running against the very policy that every State Government, Liberal or Labor, is having to impose in the present financial situation because the only alternative is to reduce services and sack people whom members opposite demand we have in employment.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: If the honourable member does not mean that, he is doing exactly what his Leader says we are doing and his vote is therefore a sham. He is saying, "I'm voting against this as a formal protest, but I don't mean it."

The House divided on the second reading:

Ayes (25)—Messrs. Boundy, Broomhill, and Max Brown, Mrs. Byrne, Messrs. Corcoran, Crimes, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, King, Langley, McKee, Millhouse, Olson, Payne, Simmons, Slater, Virgo, Wells, and Wright.

Noes (16)—Messrs. Allen, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe (teller), Eastick, Evans, Goldsworthy, Gunn, Mathwin, McAnaney, Russack, Tonkin, and Venning.

Pairs—Ayes—Messrs. Burdon and McRae. Noes—Messrs. Rodda and Wardle.

Majority of 9 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1 passed.

Clause 2—"Imposition of pay-roll tax on taxable wages."

Mr. COUMBE: Section 9 has a relationship to the liability for taxation, and I ask the Treasurer to comment on my remarks about exemptions.

The Hon. D. A. DUNSTAN (Premier and Treasurer): We cannot alter the exemptions. I point out to the honourable member that other States are contemplating removing exemptions altogether to meet their revenue gaps.

Clause passed.
Title passed.
Bill read a third time and passed.

HOUSING LOANS REDEMPTION FUND ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from August 8. Page 380.)

Mr. EVANS (Fisher): I support the Bill. The Housing Loans Redemption Fund was established in 1962 through the foresight of a Liberal Government. In fact, it was the first move in that direction made by any Government in Australia, so that Liberal Government must take the credit for putting this legislation on our Statute Book. The Act provides a scheme by which a married couple borrowing from an approved institution to purchase a house may also provide for low-cost redemption of the loan in the event of the death of the breadwinner.

The Act provides for a person who is less than 36 years of age to be able to insure in respect of finance borrowed from an approved lending authority. At present, six authorities are approved by the Treasurer to contribute to the fund after receiving payments from the borrowers. Those institutions are the Savings Bank of South Australia, the State Bank, the Superannuation Fund of South Australia, the Housing Trust, the Co-operative Building Society of South Australia, and the Hindmarsh Building Society.

It is strange that other building societies are not participating in the fund and, when I telephoned officials of the third largest building society in the State, I was amazed to find that they had no knowledge of the existence of the Act or the fund. I take it that other organizations may participate in the scheme and so give their borrowers the protection of cheap insurance against the death of the breadwinner in respect of money borrowed to purchase the house.

I hope that the Treasury Department, after reading the speeches made in this debate, will give to all the organizations that qualify the information that they need to be able to apply to participate in the fund. It is important that those organizations be given that opportunity. When Sir Thomas Playford originally suggested that this benefit be made available to young married couples, he suggested 30 years as the maximum age of a person who might participate in the fund. Subsequently, after discussion in the community and before the original Bill was introduced, Sir Thomas agreed to increase the maximum age to 36 years. The Leader of the Opposition of the day (Mr. Frank Walsh), at page 1242 of *Hansard*, on October 3, 1962, said:

For the life of me I cannot see why there should be any age limit at all. Surely it is for the person borrowing the money and desiring the cover to decide whether the premium demanded is too costly for him. Therefore, I believe the Government should seriously consider extending the scheme to cater for all persons who are willing to participate, provided that the loan repayment period expires by the time the borrower reaches 65 years of age. The repayment of the loan must be concluded by the time the nominated contributor reaches the age of 66 years. In the case of a joint borrowing, one of the borrowers can nominate as a contributor and the risk is then on that person's life. It has been suggested that this should be extended to cover a joint contribution, so that the lives of both contributing parties could be covered. I do not think that is acceptable because that would be insuring two lives against one monetary contribution. We would be insuring the lives for half the

monetary contribution that would be made by only one contributor. I believe that aspect of the Act as it stands is correct.

I support the view of Mr. Frank Walsh that there should be no age limit. The Public Actuary made a calculation that showed that from the age of 36 years onwards there would be a substantial increase in the premium that would need to be paid for each \$1 000 of finance each year. I do not think that really matters. I believe we should eliminate reference to age altogether or at least make it 46 so that those persons who were over the age of 35 and under 46 would, if they took out this form of insurance and contributed to the fund, pay substantially higher premiums for each \$1 000 because of the age they had attained and the greater risk of death at that age; but they themselves would make the decision and I believe that is important.

I believe we should extend it but I cannot do it by amendment because I would be placing a burden on the Treasury of the State if the fund collapsed (the Treasury guarantees the fund against failure). I hope the Minister in charge of the House will convey that request to the Treasurer. If the Bill cannot be amended here, at least it might be amended in the other place where the Government Minister responsible for the Bill could move an amendment. To incorporate such an amendment a substantial amount of work would have to be carried out in relation to the schedule of charges set out in the Bill. This Bill, as it stands, is only converting the schedule to decimal currency equivalents.

This important action should be taken. I believe Mr. Frank Walsh was correct when he made his suggestion in 1962. That action could have been taken then but perhaps wisely both Parties agreed that at that time it was better to leave the Act in operation for a while to see how it worked. There has not been much demand on the fund. I have statistical information available showing details of the fund from 1962 to the present time and I seek leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

CLAIMS		Amount Claimed
Date		£ s. d.
14/11/63		2 916 6 4
5/11/64		2 979 4 11
		\$
16/2/67		6 510.35
16/4/68		5 545.33
31/7/70		7 191.72
5/3/70		2 725.68
24/4/70		6 764.11
20/11/71		4 611.03
18/1/72		6 460.82
6/10/72		6 529.88
19/4/73		5 502.32
21/8/73		6 580.48
10/12/73		4 475.68
22/5/74		6 543.80
3/6/74		4 278.34

Mr. EVANS: It will be seen that no claim was made between 1964 and 1967, a period of three years, although in all other years claims were made. The total sum paid out in any one year has been about \$16 000. I know greater demands will be made on the fund in the future as the contributors become more elderly, and we may see a higher demand.

A reference to the fund in the Auditor-General's Report of 1972-73 states that there was a credit balance in the fund of \$282 299 and the total paid out from the fund over the 11 years of its operation was \$63 632. The fund is in credit, but, to set up this fund, \$100 000 was

made available from the Housing Purchase Guarantee Fund. When Sir Thomas Playford made the \$100 000 available he was criticized by the then Leader of the Opposition (Mr. Frank Walsh), who said, at page 1424 of *Hansard*, on October 3, 1962:

Naturally the Redemption Fund will need to be financed from some source until it builds up a reserve fund of its own, and, therefore, the Government should make funds available for this Redemption Fund, but the amounts made available should be repayable as soon as the fund is in a financially sound position.

The fund is now substantially in credit. The \$100 000 came from the Housing Purchase Guarantee Fund and I believe it should be repaid to that fund, which was set up under the Homes Act. The three contributors to that fund were being penalized to a degree by the State and they ceased to contribute. At page 31 of the 1972-73 Auditor-General's Report, it is stated:

To June, 1970, three lending institutions had contributed to the fund and guarantees had been executed by the Treasurer. During 1970-71 the three institutions withdrew from the fund, thus forgoing any guarantees.

Guarantee responsibility in relation to the fund is no longer provided for under the Homes Act, but provision has been made under the Cottage Flats Act, as amended in 1971, for the funds to be transferred to the Housing Trust. For this reason, the Housing Trust could help out in areas where specific types of house are needed to help the under-privileged. Since then we have been passing over to the Housing Trust about \$75 000 a year, because it was agreed to do so for five years. Why should we not transfer the \$100 000 from the Housing Loans Redemption Fund to the Housing Purchase Guarantee Fund so that another \$100 000 could be given to the Housing Trust to help build homes for the needy? That could be done. The money is lying idle at present. Although we may be collecting interest on it, the money could be used on badly needed housing for the under-privileged. I am not sure whether that thought has crossed the minds of those on the Treasury benches, but that \$100 000 (as the late Mr. Walsh said in 1962) should be returned to the original fund when the new fund became buoyant, and the new fund is buoyant now. Even if the fund became depleted because of the \$100 000 withdrawal, the Treasury is there to back the fund under the Act. There is no real risk that the fund would collapse. We all know that computerization can show that the rates of contribution for insuring against death are high enough to meet the commitments over the term.

When a borrower applies nowadays for a guarantee against the advance, he is asked, under the Act, to prove that he is in good health, and the proof or otherwise that he is in good health is subject to the Treasurer and the institution from which the money is to be borrowed. No medical examination is required; all that is required is a health certificate from the borrower's general practitioner or one of his own choice. If the age limit is increased, the authorities would be justified in asking a prospective borrower to undergo a medical examination; that would not be unfair. It would be fair to say that, after turning 35 or 36 years of age (or even before), before a person was given this cheap rate of insurance he must undergo a medical examination. If he has a medical examination, finds he has a complaint, and receives immediate medical attention, he may have a longer life span.

Some people in the community do not seek medical treatment at the appropriate time. One benefit would be to protect the fund and the genuine contributor. The aim of the legislation is to allow a borrower to gain the benefit where the breadwinner has died and to give the

Treasurer the opportunity to pay the interest rate for the extra money after death. Under the present Act, the interest applies only to a date a month prior to death, whereas under this new provision the period is extended to a month after death. The Bill incorporates any other relevant Acts in relation to the 1966 Housing Agreement Act. I am somewhat concerned about the advance in respect of which the borrower applies to become a contributor; that matter is covered in any relevant legislation that may be passed.

I hope that, when the Treasurer or the Minister in charge of housing replies in this debate, he will say clearly that the Bill relates only to any State Act; that is the way I interpret it. However, with the intrusion of the Commonwealth Government into State affairs nowadays, I wonder whether there is some other motive behind this move. As the legislation was originally worded it was impossible for a person to contribute for part of the advance; the Act merely states "the advance". However, the Treasury believed that it was better to bend the wording a little and allow for a contribution for part of the advance. I support the Treasury's actions over the years in bending the wording a little, and this Bill clears up that anomaly.

It is disappointing to me that the institutions to which I referred earlier have not been told that the Act may be applied to them. It is important that the Treasury seeks out those lending institutions and ascertains whether they are eligible to participate. If they are, their borrowers will be able to participate in the fund. It is a cheap form of housing insurance. Where the period of the loan is over 25 years and the borrower is 25 years of age, the actual commitment is \$1.85 each \$1 000 of advance, on an annual basis. For a 35-year-old borrower, borrowing for a period of over 25 years, the actual commitment is \$3.25 each \$1 000 of advance; they are modest sums. This means that a 35-year old borrower, borrowing for 25 years, will pay about \$40 a year for about \$10 000; that is not excessive. In supporting the move to reword the Act to make it more practical to operate, I emphasize the need to increase the age limit to at least 46 years and to ensure that every organization eligible to contribute does contribute.

The Hon. D. J. HOPGOOD (Minister of Development and Mines): I thank the member for Fisher for the attention he has given the Bill. It would be inappropriate, in what is purely a consolidation measure, to seek to amend it, but I will bring the honourable member's comments to the notice of the Treasurer, particularly the matter of the age limit and of the transfer of money so that an additional sum may be made available to provide houses for lower wage-earners. I assure the honourable member that, regarding the Government's motives (when he referred to State Acts as opposed to Commonwealth legislation), this is purely a consolidation measure: there is no other motive behind the Bill.

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

STATE LOTTERIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 8. Page 379.)

Mr. GOLDSWORTHY (Kavel): Let me say at the outset that I was not very enthusiastic about this Bill and, on first reading it, was inclined to oppose it; but, looking at the principal Act, I think it is obvious that the Lotteries Commission already has powers to let out on lease, hold, or sell property. In those circumstances, it did not seem to me to be sensible to oppose the Bill, which seeks to

allow the commission to have access to money for the purpose of acquiring its own property and ensuring that it will be able to acquire that money at an advantageous rate of interest, as the Government will be guaranteeing the loan. The relevant section of the principal Act is section 4, subsection (2) of which provides:

The commission—

- (a) shall be a body corporate with perpetual succession and a common seal;
- (b) subject to this Act, shall be capable of acquiring, taking or letting out on lease, holding, selling and otherwise disposing of real and personal property . . .

So the commission already has authority under the principal Act to engage in the sort of activity contemplated in this Bill; but I am not very enthusiastic about it. I should like to have heard in the second reading explanation something about what is contemplated for the future of the commission, what is wrong with the present accommodation, what savings could accrue from moving to other premises, whether greater service to the public could be provided because of the building being in a centralized position, and so on. None of those matters is canvassed in the second reading explanation.

Let me make a few general observations about the operations of the Lotteries Commission. It was established some years ago, after a referendum had been held from which it appeared that a considerable majority of South Australians favoured a Government-controlled lottery. As a result of that referendum, legislation was introduced into both Houses of Parliament. It was fairly heavily supported, and the commission was established. I should like to make a few fundamental points about the operations of the State lottery that I think should be borne in mind when any expansion of the activities of the Lotteries Commission is contemplated.

First, there is no valid economic argument for the establishment of a lottery. To my mind, a lottery is established in response to a public demand. There was a demand for a lottery, and a lottery was established in response to that demand. However, if anyone thinks that a lottery in some way contributes to the overall welfare of the State's economy and is a source of providing wealth, he is sadly mistaken.

The SPEAKER: Order! I point out to the honourable member that the State Lotteries Act Amendment Bill does not give members the right to discuss the activities of the commission. A specified amendment is defined in the Bill, so any reference to the activities of the commission must definitely be linked with the Bill under discussion.

Mr. GOLDSWORTHY: I link up those remarks by suggesting that the second reading explanation indicates that the Lotteries Commission has it in mind to secure its own premises, but there are considerable doubts about just what advantages could accrue from doing that. For that reason, I am canvassing some matters that I believe are pertinent. I think everyone agrees that all gambling operations must come under the close scrutiny of Parliament and, for that reason, I introduced these matters. I do not consider they are irrelevant to the debate.

The SPEAKER: Order! I point out to the honourable member again that any discussion of the commission's activities must be strictly in accordance with the provisions of the Bill, which gives the commission power to borrow money for certain purposes. I cannot allow debate on the general activities of the Lotteries Commission.

Mr. GOLDSWORTHY: I certainly appreciate your stricture, Mr. Speaker, but the second reading explanation

refers to the proposed move of the Lotteries Commission, and I am speaking to those remarks. They are a little vague, and for that reason I hope we shall later get some further elucidation of the matters I am now canvassing.

The Hon. Hugh Hudson: You are not in order in canvassing them, so we would be out of order in mentioning them.

Mr. GOLDSWORTHY: We do not need two Speakers. I can manage without interference from the Minister of Education. I am heeding what the Speaker has said to me. I would have far more confidence in the judgment of the Speaker than in that of the Minister.

The SPEAKER: Order! Let me clear up one point for all time. Members are getting carried away by the fact that they believe we are discussing the second reading explanation of the Bill. The motion we are discussing is "that the Bill be now read a second time", and that means the Bill under discussion. It has one effective clause only—"Borrowing, etc. by commission." The activities of the commission do not come under that clause. The reason why I bring this to honourable members' attention is that, if one member starts getting away from what the Bill enables us to discuss, other honourable members will want to follow suit. If I draw this to the attention of the first speaker to a Bill, all other speakers who follow him will realize what is the scope of the debate.

Mr. COUMBE: On a point of order, Mr. Speaker, I have listened carefully to what you have just said. May I take it that, after a Minister gives a second reading explanation, a member in reply to that speech cannot comment on the matters which the Minister has introduced and which are perhaps outside the exact wording of the provisions of the Bill? The Minister explains why he has introduced a Bill, and it would appear that other members would have the right to canvass all matters raised by the Minister in his second reading explanation. I seek your further explanation on that point.

The SPEAKER: Traditionally, Ministers have been allowed certain latitude in explaining to the House the reason why a Bill has been introduced. However, on all occasions, the Minister moves "That this Bill be now read a second time". That motion does not mean that there can be a complete discussion on the reasons why the Bill was introduced. The principle laid down is that, after the Bill has been explained and the motion moved "That this Bill be now read a second time", the House is purely dealing with the motion moved by the member introducing the Bill. This means that the Bill itself is under discussion. Latitude has always been given (and this applies in all Parliaments) to the person introducing the Bill to state reasons why it has been introduced and put before the House. However, that latitude is not given entirely to all members. They may touch on certain matters, provided that they link up their remarks to the Bill under discussion.

Dr. TONKIN: On a further point of order, Mr. Speaker, I do not believe that your ruling is, in fact, correct.

The SPEAKER: Order! Under Standing Orders, the honourable member has the opportunity to move to disagree to the Speaker's ruling. He cannot raise a point of order and commence his remarks by saying, "I do not believe that the Speaker's ruling is correct." An honourable member may raise a point of order or he may move to disagree to the Speaker's ruling. However, he may not debate the matter.

Dr. TONKIN: In that case, I will withdraw my comment at this stage. My point of order is that this Bill provides that the State Lotteries Commission shall be entitled to borrow sums of money. Presumably, in borrowing sums of money, it will be liable for interest repayments. If it is to meet interest repayments, presumably the affairs of the Lotteries Commission will have to be in good order. Therefore, as these repayments are involved, the conduct of the affairs of the commission must surely be within the ambit of this debate. I do not see how we can possibly debate this Bill (and I am not talking about the second reading explanation) without referring to the affairs and conduct of the Lotteries Commission.

The SPEAKER: I point out that this Parliament has always adopted the procedure that the discussion on any motion is directed to the principle embodied in that motion. That does not mean (and it has never meant) that, when a Bill to amend an Act is introduced, the whole of the Act is open for discussion. For that to be the case, an instruction would be necessary. The honourable member should know by now that this has always been the procedure in this House. When a Bill is introduced to amend an Act, the House deals with the amendments in the Bill, and the principle of the Act is not open for discussion. This ruling has been given by many of my predecessors in this office. I do not uphold the point of order.

Dr. TONKIN: In that case, I move:

That the Speaker's ruling be disagreed to.

The SPEAKER: The honourable member must bring up his reasons in writing.

Dr. TONKIN: I will do so.

The SPEAKER: The honourable member for Bragg states:

I move that the Speaker's ruling be disagreed to because an amendment to an Act relating to the borrowing of money must be debated in relation to the borrowing authority's ability to service and repay those moneys.

Is the motion seconded?

Several members having risen:

The SPEAKER: I point out that the reasons given by the honourable member for Bragg for his disagreement do not relate to my ruling.

Dr. TONKIN: Then can we have a clarification of what exactly was your ruling?

The SPEAKER: The honourable member has the right to move to disagree to my ruling, but he must move in relation to a ruling that I have given. The ruling I have given is that the motion before the House after a Bill has been introduced is "That this Bill be now read a second time". Discussion on a Bill containing amendments to an Act does not give any honourable member the right to open up debate on the original Act; discussion must be confined to the Bill before the House.

Mr. GOLDSWORTHY: The only reference I made to the original Act was to quote a section that related to the amending Bill now before us. I have shown that the commission already has the authority to embark on the sort of operation foreseen in the Bill. What the Bill seeks to do is ensure that the commission will be able to borrow money at the most favourable interest rate. In discussing this proposition, the financial management of the commission is of the utmost importance, because obviously those in charge will have to service any debt incurred. Therefore, I think it is entirely proper, in outlining the Opposition's attitude to the Bill, to refer to the financial operations of the Lotteries Commission. This Bill indirectly concerns the future operations of the com-

mission since, instead of paying rent for premises it currently holds, it will be involved in interest payments and possibly capital repayments. In these circumstances, it will be possible for me to outline adequately the Opposition's attitude only if I am permitted to refer to the Auditor-General's reference to the financial operations of the Lotteries Commission.

The Hon. Hugh Hudson: Can the Lotteries Commission borrow now?

Mr. GOLDSWORTHY: It can, as I have just said twice.

The Hon. Hugh Hudson: It can borrow now at higher interest rates. All we seek to do is make its financial position more secure. What are you talking about?

The SPEAKER: Order!

Mr. GOLDSWORTHY: The second reading explanation of the Bill is somewhat vague. I hope that, in this debate, something of what is involved in the commission's acquiring its own premises will be made clear to the House. The pertinent reference in the Minister's explanation is as follows:

The intention is that, if a suitable opportunity arises in the future, the commission will be able to purchase its own accommodation should this prove to be an economically desirable arrangement.

There are many implications in that rather glib statement that are of considerable importance to Opposition members.

Mr. Payne: If you read the sentence before that, you will get a different picture.

Mr. GOLDSWORTHY: I have already said that if, in terms of this Bill, the commission intends to borrow money it should be at a favourable rate of interest. Nevertheless, it is not inappropriate for me to express reservations about what the commission is contemplating, as this is not stated in the second reading explanation. From an examination of the Auditor-General's report, one can see that the rent that the commission is paying for its premises has not varied much since it began operating in 1967. It is pertinent for members to know what sort of repayments would be involved if the commission wanted to acquire its own premises.

The Hon. Hugh Hudson: What annual rental is it paying now?

Mr. GOLDSWORTHY: I think it is \$60 000. However, I will ascertain the precise figure for the Minister shortly. It is not clear to me what advantages would accrue to the commission if it shifted to its own premises. Unless it effected some tangible savings in rent, such a move would be undesirable. Perhaps it is contemplated that the commission's activities are to be expanded. However, I do not believe it is the commission's function to promote gambling.

The SPEAKER: Order! I have already ruled on what is the subject matter of this debate, and it seems that the honourable member for Kavel is not willing to accept the authority of the Chair in relation to that ruling. The House is now dealing with a Bill the main provision of which gives the Lotteries Commission authority to borrow. The Bill does not go beyond that. I therefore repeat what I said previously: that the introduction of an amending Bill does not open up an avenue for discussion of the principal Act. The honourable member for Kavel can discuss this Bill only.

Mr. GOLDSWORTHY: Thank you, Mr. Speaker. The Minister said in his second reading explanation that the commission wanted to borrow money to secure its own premises. Therefore, the Bill has a wider ambit than the commission's wanting merely to borrow money, because, as I said earlier, the commission already has that power under

the principal Act. I am trying to canvass some of the doubts that exist in the minds of Opposition members regarding the commission's acquiring its own premises, as it seems to me that this is entirely pertinent to the subject matter of the Bill.

In debating the Bill, the Opposition must assess the advantages that could accrue to the commission as a result of its acquiring its own premises, and that is entirely the matter with which I am dealing. I am trying to ascertain from the Government why the commission wants its own premises, and I am canvassing some of the possible reasons why it could want to do so.

The Hon. Hugh Hudson: Is that what you're doing?

Mr. GOLDSWORTHY: Yes.

The Hon. Hugh Hudson: Isn't that interesting!

Mr. GOLDSWORTHY: Perhaps the Minister, in one of his less obtuse moments, might consider that what I am saying is relevant. From an examination of the Auditor-General's report regarding the commission's expenses, one sees, as one would expect, that rent is one of its annual costs. From memory, I do not think its rental has varied much since the inception of the commission. Rent, rates and taxes in 1968 amounted to \$55 628; in 1969 the figure was about \$57 000; in 1970 it was about \$59 000; and in 1972 it was about \$67 000. One can see, therefore, that the cost of these premises has increased in line with increasing property values and rents.

The commission's present premises, in Walsh Building, are centrally located and in a convenient position for the public, situated as they are in Rundle Street. Unless it is intended considerably to expand the commission's operations, I cannot see any advantage in the commission's seeking to establish its own premises. In those circumstances, the Bill does not commend itself to the Opposition as a measure that it can support enthusiastically. If the commission is seeking to borrow money to enable it to obtain new premises so that it can expand its operations, the Opposition does not favour such a move, as I do not believe it is the commission's function to promote gambling. The commission already has wide powers to do this sort of thing, and we are not enthusiastic about it. All political Parties acknowledge that gambling must come under the close scrutiny of the Legislature and that it should be closely controlled. The commission's operations have been fairly static.

The SPEAKER: Order! If the honourable member for Kavel totally disregards the authority of the Chair, I shall have to rule him completely out of order. The House is now debating a Bill to give the Lotteries Commission power to borrow money. That is the ruling I have given and, if the honourable member disregards that ruling, he will be completely out of order.

Mr. GOLDSWORTHY: In canvassing the reasons why the commission might want to acquire its own premises, I said that it might want to expand its operations. I then said that its operations had been fairly static over the past few years. However, it has introduced X-Lotto, the income from which has been about \$1 000 000. I hope the Government is not facilitating the passage of this Bill so that the commission can acquire its premises in order to expand its activities. We will support the Bill, because it would be senseless to deny the commission the ability to borrow money at the most favourable rate of interest, as this would make the operations of the commission less efficient. I think I have made the view of the Opposition clear. Is the member for Mitcham talking to me?

Mr. Millhouse: No, I was asking what you were talking about.

Mr. GOLDSWORTHY: I take it the honourable member has been absent from the Chamber.

The Hon. G. R. Broomhill: I have been here all the time, and I can't work it out, either.

The SPEAKER: Order! We are discussing a certain Bill, and this must be the subject matter of the debate, which will continue on that and only on that line.

Mr. GOLDSWORTHY: Thank you, Mr. Speaker. I have finished; I support the Bill.

Dr. TONKIN (Bragg): Obviously, the member for Mitcham did not hear the previous motion I moved—

The SPEAKER: Order! The motion was ruled out.

Dr. TONKIN: Indeed it was, and I can appreciate that.

The SPEAKER: Discussion of a motion that has been ruled out is not permissible.

Dr. TONKIN: When I first considered this Bill, I thought that there could not be any provision in the principal Act to allow the commission to borrow money, and I was surprised to see from the Act that it includes this provision. The only reason that I can see for introducing the Bill is to allow the commission to borrow money under the guarantee of the Government at a lower interest rate.

The Hon. G. R. Broomhill: You have won first prize in the lottery.

Dr. TONKIN: What concerns me is that it seems that this is an open-cheque situation, because no definite plans have been announced to borrow money. Presumably, the money will be borrowed for a special purpose, and that purpose may well be the acquisition of new premises, but we have not been told. There has been no indication other than a suggestion that, ultimately, if suitable accommodation is available and that if it could be an economically desirable arrangement, money could be borrowed to establish a separate headquarters in a building that perhaps could be used to provide income for the commission by way of rent. However, when and if such a proposition is considered by the Government and a firm proposition is suggested, that proposal should be placed before the House. I hope that the introduction of this Bill does not mean that any firm proposition will not be placed before the House. I should like to see this Bill not passed if that meant that in future the Government would have to give full details of its intention before the commission borrowed money.

Mr. Keneally: But you will vote for it?

Dr. TONKIN: I should like to hear what the Minister has to say, because I do not like the principle of open-cheque legislation, which this is. The Government should give precise details, so that any proposals could be considered on their merits.

Mr. MATHWIN (Glenelg): I do not like this Bill, and the Treasurer's second reading explanation was a poor effort. The only matter of consequence referred to in his explanation was covered in the following words:

The intention is that, if a suitable opportunity arises in future, the commission will be able to purchase its own accommodation should this prove to be an economically desirable arrangement.

The Treasurer is mentioned throughout the Bill: it is his consent, it is his guarantee and it is his approval. So, it all relates to the Treasurer, but he failed to explain the Bill adequately. I do not like the Bill, and I do not know what are the real intentions behind it. I hope that the Minister of Education, in replying to the debate, will give a better explanation than the explanation given earlier.

Mr. EVANS (Fisher): I do not support the Bill. It is morally wrong to give a gambling institution the opportunity to borrow money for real estate purposes at a time when there is such a shortage of money in the general community. One of the purposes of the Bill is that the commission should be able to take advantage of a more favourable interest rate. If more money becomes available at favourable interest rates, it should be used for essential purposes, such as sewerage projects. The Bill gives the opportunity for people to pay a voluntary tax if they think they may win a major prize, and I do not support it.

Mr. BECKER (Hanson): I support the Bill, and I recognize that the commission should be given borrowing powers. However, I have some doubts about the reason given for the Bill. I should like the Minister to assure me that any undertaking by the commission to borrow money, whether for property or for improvements to equipment, will not affect the percentage of moneys handed to the Hospitals Fund. Any building purchased by the Lotteries Commission should be self-supporting. I hope that the commission, in effect, will be able to purchase a building on no deposit, because the purchase will be guaranteed by the Government. The commission uses some sophisticated equipment that will eventually have to be replaced. If the commission can obtain funds for these purposes without using any of the moneys that would otherwise go to the Hospitals Fund, I cannot see how anyone could object to the Bill. The General Manager and staff of the Lotteries Commission are to be commended for conducting a highly efficient operation. It is unfortunate that the public is not aware of the amounts the commission contributes to the Hospitals Fund.

The SPEAKER: Order! The honourable member is now discussing the activities of the commission, but they are not being considered at present.

Mr. BECKER: Provided I receive the assurance to which I have referred, I do not object to the Bill.

The Hon. HUGH HUDSON (Minister of Education): I am glad that the member for Hanson demonstrated that not all members of the Opposition are governed by wowsers' instincts. This measure is very simple. Under the principal Act the commission can borrow, the only restriction being that any borrowing over \$500 000 comes under the Financial Agreement and requires Loan Council approval; so, the Government would be involved automatically in that. In fact, the Government has told the Lotteries Commission that borrowing of that order at present, when the semi-government borrowing programme is tight, cannot be supported by the Government. However, it is clear that we need to provide for the possibility that the commission may have to vacate its existing premises or it may find that its rent is substantially increased. So, the situation in regard to its premises may become unsatisfactory.

The commission's present premises are fairly crowded. The lease is a 10-year lease which I think expires in 1977. The question must be faced as to whether the commission should continue to rent premises, and on what terms, or whether it should own its own building. The Government has an interest in the situation in so far as any borrowing by the commission in excess of \$500 000 would, under the semi-government Loan programme, require Loan Council approval.

In reply to the member for Fisher, I point out that the Government would not support such Loan Council approval if such borrowing by the commission impinged on other activities of the State. Further, the Government would

not support the commission's purchasing its own building and borrowing money if such borrowing would eat into other parts of the Loan programme or if such borrowing would impinge on the contribution made by the Lotteries Commission to the Hospitals Fund. No Government in its right senses would agree in those circumstances.

Mr. Becker: What about the data-bets fiasco at the T.A.B.?

The Hon. HUGH HUDSON: That relates to the legislation covering the Totalizator Agency Board—

The SPEAKER: Order! Extraneous matters are not under consideration.

The Hon. HUGH HUDSON: —which does not provide for the same governmental influence as that exercised in the Lotteries Commission situation, because there is no Government representative, apart from the Chairman, on the Totalizator Agency Board.

The SPEAKER: Order! That matter is out of order.

The Hon. HUGH HUDSON: The other main point that I make is that, if the commission submits a reasonable proposition that can be dealt with within the semi-government Loan programme without impinging on other semi-government borrowing and without involving a reduced return to the Hospitals Fund (it may improve the return), clearly the Government would support such a proposition. In those circumstances, the Government (and, I presume, even the people's representatives opposite) would want the commission to borrow at as low an interest rate as possible. That could be done only by providing for a Treasury guarantee, and I ask whether any member opposite considers that a Treasury guarantee would be given if the proposition were not sound or whether any member opposite thinks that all Treasury guarantees should be referred back to Parliament.

All kinds of Treasury guarantee are given to permit lower rates of interest in borrowing, and these are given administratively. In no circumstances would the Treasurer be a party to giving a guarantee if it would cause extreme difficulty for the State. Clearly, the Treasurer has a responsibility to ensure that the community interest represented by the Government is protected effectively. The Government has told the commission that it cannot entertain a proposal in relation to the purchase of a building, but that situation could alter in future, and it is only common sense to provide that, if a reasonable situation arises which does not affect the Hospitals Fund and which can be accommodated within the semi-government Loan programme, the borrowing should take place at as low a rate of interest as possible.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"Borrowing, etc., by commission."

Mr. GOLDSWORTHY: The Minister has not referred to the fact that the commission has a right to renew the current lease after 10 years, and the commission could expect to occupy the present premises for a long time in the future if it wished to do so. The transfer of the commission to its own premises, with an improved return to the Hospitals Fund, could occur in only two circumstances. One is that the interest payments would be less than the current rental; the other is that the operations of the commission would be expanded. We do not believe the operations of the commission could be expanded, and its transfer to new and less convenient premises could involve a reduction in turnover. It is not the function of the Government to promote gambling.

The Hon. HUGH HUDSON (Minister of Education): The honourable member must be aware that the rental for the commission's premises will not be fixed for all time. Clearly, it will be subject to review, and, while the commission has the right of renewal, the terms of the renewal may not be satisfactory. There is a natural growth in the turnover of the commission without any of the promotion of gambling that would worry the moral instincts of the honourable member. This could lead to a situation where the current premises are inadequate. It is simply not possible to provide for all circumstances—that the current premises will be available, satisfactory, and able to be renewed at a reasonable rental in all future times. No Treasurer, in circumstances of continuing budgetary difficulties, would commit the Lotteries Commission by giving a guarantee and enabling it to borrow at lower interest rates, at the same time putting the return to the Hospitals Fund in jeopardy.

Mr. GOLDSWORTHY: The operations of the commission have been reasonably static. From its inception, the return to the Hospitals Fund has fluctuated between \$1 500 000 and \$2 000 000. The Minister's comment

regarding natural growth is hardly consistent with the figures contained in successive Auditor-General's Reports. The only consideration would appear to be the renewal of the lease and whether acquisition of its own premises would cost the commission less than the rental of the present premises. My remarks are not promoted by any personal wowserish instincts.

The Hon. Hugh Hudson: I referred to the wowserism of the Opposition.

Mr. GOLDSWORTHY: The Minister saw fit to make a sly little dig with his comment about our moral instincts. The basic argument is an economic one, and that is what we are canvassing. The Opposition is not very much better informed now than it was when the Bill was introduced.

Clause passed.

Title passed.

Bill read a third time and passed.

ADJOURNMENT

At 5.41 p.m. the House adjourned until Tuesday, August 27, at 2 p.m.