LEGISLATIVE COUNCIL

Thursday, August 29, 1974

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

PETITIONS: LOCAL GOVERNMENT

The Hon. R. A. GEDDES presented a petition signed by 21 ratepayers and residents of the District Council of Lincoln, the Corporation of the City of Port Lincoln, and the District Council of Tumby Bay, expressing dissatisfaction with the first report of the Royal Commission into Local Government Areas and praying that the Legislative Council would not bring about any change or alteration of boundaries to the area of the District Council of Lincoln and that the city of Port Lincoln be preserved as a city area and not incorporated into a rural area.

Petition received and read.

The Hon. A. M. WHYTE presented a similar petition signed by 329 persons.

Petition received.

The Hon. M. B. DAWKINS presented a petition signed by 195 ratepayers and residents of the Warooka district, expressing dissatisfaction with the first report of the Royal Commission into Local Government Areas and praying that the Legislative Council would oppose the recommendations as they affect the District Council of Warooka.

Petition received and read.

The Hon. A. M. WHYTE presented a petition signed by 438 ratepayers and residents of the District Council of Tumby Bay, expressing dissatisfaction with the first report of the Royal Commission into Local Government Areas and praying that the Legislative Council would not bring about any change or alteration to the boundaries of the District Council of Tumby Bay.

Petition received and read.

QUESTIONS

LAND ACQUISITION

The Hon. R. C. DeGARIS: Has the Minister of Agriculture, as Acting Minister of Lands, a reply to my question of August 7 about land acquisition?

The Hon. T. M. CASEY: My colleague the Attorney-General states:

Where any land or interest in land is compulsorily acquired pursuant to the provisions of any Statute of this State, the acquiring authority is legally obliged to follow the fairly comprehensive procedures set out in the Land Acquisition Act, 1969-1972, and the regulations made thereunder. Every acquisition is commenced by the service of a notice, pursuant to section 10 of the Act, which is entitled "Notice of intention to acquire land for a public work or undertaking". The notice, in addition to describing the land to be acquired and the purpose of the acquisition, contains a concise summary of the landholder's rights under the Act, the procedures that will be followed in the course of the acquisition, and some relevant extracts from the Act itself. A person reading this notice is clearly and concisely advised of the rights and obligations affecting him up to and including the time of the actual acquisition. The land is acquired by means of a notice of acquisition published in the *Government Gazette,* a copy of which is published in a daily paper. However, a copy of the notice of acquisition must be served on all persons upon whom a notice of intention has been served. Although the notice of acquisition is itself quite brief, the acquiring authority is required to serve, with the notice of acquisition, a written statement specifying the amount of compensation the acquiring authority is prepared to pay in respect of the acquisition of the land itself. This money must be paid into court within seven days of the publication of the notice of acquisition.

However, the written statement to which I have referred must contain substantially more than an offer of compensation, for the regulations require it must also contain an accurate and fairly detailed summary of the procedures applicable following the service of the notice of acquisition. The summary clearly advises the landholder of what steps he must take if he wishes to accept the offer and obtain the money or, alternatively, what steps he must take if he wishes to dispute the amount of compensation offered and make a claim for some higher amount of compensation. Thus, it will be clearly seen that the Act and regulations have been carefully drafted in such a way as to ensure that at all times the attention of any landholder involved in a compulsory acquisition process is drawn, in writing, to his rights and obligations in relation to such acquisition. Furthermore, it is the usual practice of the Government and its acquiring authorities to pay proper and reasonable legal and valuation fees incurred by a landholder, so that, if the landholder so desires, he may obtain independent legal and valuation advice, should he see fit to seek it, without expense to himself. In these circumstances, I do not think it necessary to try to educate the public on the legalities of land acquisition by means of television programmes. Indeed, such programmes might do no more than sow confusion in the minds of many people viewing them.

ST. JOHN AMBULANCE

The Hon. C. M. HILL: I seek leave to make a short explanation prior to directing a question to the Minister of Health.

Leave granted.

The Hon. C. M. HILL: Many people connected with the St. John Ambulance service in this State over the years have been endeavouring to arrange with the Commonwealth Government to have annual subscriptions to the service and also carrying fees (that is, fees payable where patients who are not subscribers are carried by ambulance) made tax deductions. The deductions would be in the same category as those applying to doctors' fees and medical and hospital benefit fees, which are tax deductible. Although it is basically a Commonwealth matter, it has affected many South Australians and was raised with me in the country last week by a constituent. I have heard since then that the State Ministers of Health discussed this subject at a recent conference and that they gave it high priority on their agenda. Will the Minister of Health therefore say whether he supports the view that these outgoings should be tax deductible; whether the State Health Ministers discussed the matter at a Ministerial conference; what was the outcome of that item on the agenda; and, finally, whether there is any way in which he can assist these people in the manner to which I have referred?

The Hon. D. H. L. BANFIELD: This matter has been discussed for many years at conferences between the Australian Government and the various State Governments. I cannot see why payments made for transport by St. John Ambulance should not be tax deductible, as the transport involved relates to an illness. I think subscriptions should be tax deductible, as are subscriptions to medical benefits funds. This matter was discussed at the conference of Health Ministers held a fortnight ago, when the six State Ministers were unanimous that the Australian Government should consider making this a tax deductible item. However, the Australian Minister was not willing to say what support he would give the matter, although he did say he would refer it to the Treasurer for examination. I assure the honourable member that the State Ministers are anxious that these payments should be tax deductible. Apart from taking up the matter with the Australian Government, I can think of no other way in which I can help the people who pay these fees.

WINE; MARGARINE

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

Leave granted.

The Hon. C. R. STORY: Last week, when explaining a question, I said I wondered whether the Minister of Agriculture would raise the matter of the wine industry generally and brandy production particularly at the next Agricultural Council meeting. Has the Minister considered this matter, and does he intend to do what I asked him to do? Also, researchers in Canberra have found lead deposits in a popular brand of margarine. Mr. Mike Vernon of the Consumer Affairs Council said that lead levels were unsafe and that the lead had come from the printing on plastic containers in which the margarine was being sold. As the Minister told me in the Council last week that he would raise the matter of the removal of table margarine from the quota system, will he likewise examine this matter before the State is fully committed in relation to the sale of margarine?

The Hon. T. M. CASEY: In reply to the first part of the honourable member's question whether I will bring up at the Agricultural Council meeting (which incidentally takes place tomorrow) the matter of brandy, and wine generally, as far as South Australia is concerned, the answer is "Yes", but not in the way in which I am sure the honourable member would like me to, because this topic is not an agenda item. Nevertheless, it will be done. I draw the honourable member's attention to the fact that this matter has been brought up at Premier-Prime Minister level, and I do not believe I can do anything at the council to steal the thunder that has been created originally by the talks between the Premier and the Prime Minister on this subject. In respect of the second matter raised by the honourable member, I did not indicate at any stage in my previous reply that there would be a lifting of table margarine quotas. However, I did say that I would be asking for an increase in the table margarine quota, because it is expected that by 1976 there will not be any quota at all. In respect of the lead content in margarine, I point out that some of the States require (and in my opinion it is a ridiculous requirement) margarine containers to be labelled on four sides: the top, the bottom, and either the two ends or the two sides.

The Hon. C. R. Story: Where else could they be labelled?

The Hon. T. M. CASEY: One label on the lid is sufficient in my opinion. This applies in respect of poly-unsaturated or table margarine, yet for cooking margarine it is necessary for the package container to be labelled all over. The substances used in labelling penetrate the plastic container and the lead component is increased. However, the standards of this matter are determined by the States themselves. I draw the honourable member's attention to the fact that at a recent National Health and Medical Research Council meeting certain labelling requirements were set out and I think that, if the Agricultural Council adopts the labelling standards that have been set out by the N.H.M.R.C., we might be getting some semblance of sanity into the whole margarine question.

WHEAT PAYMENTS

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

Leave granted.

The Hon. M. B. DAWKINS: I refer to the trenchant editorial and an article in *Country Life,* of Wednesday, August 21, 1974. I refer to the pertinent comment made in the editorial, which states:

> The Federal Government has rejected a proposal from the Australian Wheat Board to use Rural Credit Department funds from the Reserve Bank to effect a second payment of 20c a bushel against deliveries of wheat in the 1973-74 season.

The article goes on to point out that embarrassment has been caused to primary producers who were led to believe some months ago that they would receive a 20c a bushel advance in August this year, yet they can now expect to get only a 7c a bushel advance in October. Because of the embarrassment that has been caused and because wheat sales have been sufficiently buoyant to ensure that such a payment will be covered, will the Minister use his good offices to try to persuade the Federal Minister for Agriculture (Senator Wriedt) to have a more adequate advance made in October rather than the 7c, which is only about one-third of the proposed original advance?

The Hon. T. M. CASEY: I will certainly be raising this matter with Senator Wriedt. However, whether I can use my influence to change Senator Wriedt's opinions is another matter. I think this problem goes a little deeper than just Senator Wriedt's opinion. I think it goes back to the Treasury. Nevertheless, I will mention this matter to him.

WEEVILS

The Hon. B. A. CHATTERTON: Weevil infestation is becoming an increasing problem in the grain industry, particularly as weevils are acquiring tolerance to organic phosphate insecticides. I recently heard on the Australian Broadcasting Commission's *Country Hour* that the United Farmers and Graziers had changed its attitude somewhat to control measures. Can the Minister of Agriculture report further on control measures in connection with weevil infestation in grain?

The Hon. T. M. CASEY: What the honourable member has said is correct: the infestation of weevils in grain in Australia is becoming quite alarming. Organizations in the various States are suddenly realizing that, if we are to export our grain and meet the competition we are facing from other countries, we must soon ensure that the grain is free from weevils and other insects. If we do not take such measures, we may find ourselves with much grain on our hands that is unacceptable to other countries. When I was in the United States of America recently I studied the regulations governing that country's grain inspections; it is a credit to the Agriculture Department there that it has been able to implement this type of operation to ensure that, when grain is shipped out of America, it is as free from weevils as it is humanly possible to get it, so that it can be readily accepted by importing countries.

The Hon. R. C. DeGaris: There would have to be trace-back.

The Hon. T. M. CASEY: The United Farmers and Graziers has indicated to me that it favours a trace-back system; that is one way of trying to eliminate grain infestations, and I agree with it. However, it must go much further than that; unless the inspectors can get at the source of an infestation as soon as practicable, there will always be the problem of weevil infestation, whether or not there is a trace-back system. We should not be satisfied with going only half-way toward eliminating the problem, which should be eliminated as soon as possible. Nevertheless, it is a start in the right direction. I am very pleased that the United Farmers and Graziers has changed its tune in connection with this aspect of grain

inspection. The other point is the cost involved and who will pay for grain inspections; in America, the farmers pay for them. At a meeting of the Agricultural Council last year, I suggested that a levy could be placed on all grain in silos; the levy could be used for grain inspections in the interests of the wheat industry throughout Australia. I sincerely hope that my suggestion will be implemented much sooner than is expected at present. Last year the Commonwealth Government proposed a plan whereby it would contribute 50 per cent of the cost, the Australian Wheatgrowers Federation would contribute 25 per cent, and the State Governments 25 per cent. However, the federation refused to have anything to do with it, and the scheme lapsed.

The Hon. R. C. DeGaris: Why?

The Hon. T. M. CASEY: The Leader had better ask the federation. I sincerely hope that this matter can be discussed at tomorrow's meeting of the Agricultural Council in the interests of the wheatgrowing industry of Australia.

COMPANIES LEGISLATION

The Hon. F. J. POTTER: Has the Acting Minister of Lands a reply from the Attorney-General to my question of August 14, about companies legislation?

The Hon. T. M. CASEY: On February 18 last, the Governments of New South Wales, Victoria and Queensland entered into an agreement (called the Interstate Corporate Affairs Agreement) for the purpose of:

(1) achieving greater uniformity in the law relating to companies and the regulation of the securities industry and trading in securities;

(2) establishing reciprocal arrangements and common standards and procedures in the administration of that law;

(3) co-ordinating administration and avoiding unnecessary duplication, for the greater convenience of the public and greater efficiency in the overall administration; and

(4) increasing the protection which the law affords to the investing public.

Those three States recently enacted legislation to approve that agreement and to enable the scheme to be implemented, in so far as it relates to the administration of the Companies Acts. The legislation came into operation on July 1 last. I am not aware of any steps taken to achieve uniformity in the law and procedures in those States relating to the securities industry. The more important terms of the agreement are:

(1) that a body called the Interstate Corporate Affairs Commission be appointed, comprising two persons from each participating State, appointed by the Attorney-General of that State. One of those two persons shall be the person responsible to the Attorney-General for the administration of the companies legislation in that State;

(2) that the commission shall exercise its functions and powers subject to the direction and control of a Ministerial council consisting of the Attorneys-General of the participating States;

(3) that any other State or Territory may become a participating State by becoming a party to the agreement and by submitting to its Parliament the necessary amending legislation; and

(4) that the administration costs of the commission shall be borne equally by the participating States.

The amendments made to the Companies Acts of the participant States are quite extensive, but their purpose and effect may be conveniently summarized as follows:

(1) A company incorporated in a participating State may carry on business in another participating State without registration if the Commissioner for Corporate Affairs in that other State approves the use of the name of the company in that State.

(2) A company incorporated in a participating State is no longer required to lodge returns in other participating States, but must continue to register charges over property situated in those other States, and must lodge a notice of the situation of its principal office in those other States.

(3) A company may circulate a prospectus in a participating State if the prospectus has been registered in the "home" State.

(4) Where a trustee and a trust deed, relating to an issue of units in a unit trust or similar types of investment, have been approved in the State in which the issuing company is incorporated, they are deemed to have been approved in the other participating States, thus obviating the need to obtain separate approvals in each State.

The Interstate Corporate Affairs Commission will exercise a supervisory role only, and the administration of the companies and securities industry legislation will continue to be vested in the Registrar of Companies, whose title in the three participating States has now been changed to the Commissioner for Corporate Affairs. The South Australian Government considers that the project is a piecemeal and unsatisfactory approach to the need for a uniform company law in Australia. The Government supports the Commonwealth Government's proposal to enact a national Companies Act. It does not propose to participate in the Interstate Corporate Affairs Commission.

WATER STORAGES

The Hon. M. B. DAWKINS: Has the Minister of Agriculture a reply from the Minister of Works to the question I asked on August 15 regarding water storages?

The Hon. T. M. CASEY: My colleague states that the quantities of water stored in country reservoirs on August 19, 1974, were as follows:

Reservoir	Capacity (megalitres)	Storage (megalitres)
Barossa	4 510	3 648
South Para	51 300	37 779
Warren	6 370	6 370
Beetaloo	3 700	3 700
Bundaleer	6 370	6 349
Baroota	6 140	6 125
Tod River	qq 300	10 200
Hindmarsh Valley	460	460
Middle River	550	550
Strathalbyn	141	141

LEIGH CREEK AREA SCHOOL

The Hon. C. M. HILL: Has the Minister of Agriculture a reply from the Minister of Education to the question I asked on August 21 regarding conditions at Leigh Creek Area School?

The Hon. T. M. CASEY: First, let it be said that the fact that a school is distant or isolated does not mean that it is forgotten or neglected. While it is true and obvious that new schools have to be provided where there are none, and that these new schools require furniture and

equipment and therefore must have a first claim on available funds, every effort is made to see that all schools, however remote, are properly equipped and furnished. Included in the items requisitioned for supply at the beginning of this year were 105 desks and 110 student chairs. The headmaster described his order as massive, explaining that it was so because teacher aides had been provided and there had been reorganization in the school which required additional furniture. He also said that many chairs and desks were damaged. Because of the quantity requested, the headmaster was asked to justify his requirements, and some forms are still being held for consideration. Other requests have been processed by the Public Buildings Department but have not been met because of shortages of some items and because of transport problems. It is pointed out, however, that an additional secondary classroom, which was provided at the beginning of last year, was fully equipped with new furniture.

The District Inspector of Schools has recently provided a report concerning the need to upgrade buildings at the school, as a result of which a request has been submitted for a triple unit Demac building to provide improved art-craft facilities Other items approved for Leigh Creek this year have been showers and changerooms and air cooling of the administration block. The Minister of Education says that he hopes to be able to visit the Leigh Creek Area School later in the year, when he will be pleased to discuss thoroughly all problems with the staff and school council. My colleague believes that teachers will be well aware that there will be no recrimination against them because they have chosen to state publicly their complaints.

PSYCHOLOGICAL PRACTICES ACT

The Hon. R. C. DeGARIS: Can the Minister of Agriculture, as Leader of the Government in this Chamber, say when the Government intends to proclaim the Psychological Practices Act passed by this Council last session?

The Hon. T. M. CASEY: I shall take up this matter with the appropriate Minister and bring down a reply as soon as possible.

CLEAN WHEAT

The Hon. R. A. GEDDES: Will the Minister of Agriculture say whether it is correct that the wheat exported from South Australia is, in relation to weevil, the cleanest wheat in Australia?

The Hon. T. M. CASEY: I cannot answer that question. I believe that South Australian standards are equal to those of other States, but I cannot say whether they are the best. No doubt I could take this attitude at Agricultural Council tomorrow, although I do not know what representatives from New South Wales and Victoria would say. It would be an interesting exercise, and I shall find out their reaction.

CATTLE DEATHS

The Hon. C. R. STORY: Recently I asked a question of the Minister of Agriculture regarding cattle deaths in the South-East, allegedly caused by spray used for the eradication of lice. Has the Minister yet received a report from his officers?

The Hon. T. M. CASEY: I received an interim report, but it did not deal specifically with the honourable member's question. As investigations are still proceeding, I am reluctant to add to what I said previously. I hope that, during next week, more information will become available so that, when Parliament resumes after the show adjournment, I shall be able to give a detailed report.

HEALTH CENTRES

The Hon. C. M. HILL: Has the Minister of Health a reply to my question regarding health centres in South Australia?

The Hon. D. H. L. BANFIELD: No community health centres are at a fully operational stage as yet. The only centre working to any degree is at Ingle Farm, where some services are being provided, using temporary premises situated about 3.2 kilometres from the site of a permanent, purpose-built building at present being constructed. The locations and physical status of all other health centres approved under the community health programme are as follows: at St. Agnes and Port Lincoln, planning is at an advanced stage, while buildings are being constructed at Coober Pedy and Ceduna. Planning for the health centre at Tumby Bay is at an advanced stage, planning is proceeding for the centre at Cummins, while a building is being constructed at Keith. The centres at Tumby Bay, Cummins, and Keith are individually minor in nature. Planning is proceeding for centres at Clovelly Park and Christies Beach. It would be inappropriate to divulge future proposals in either the 1974-75 programme (yet to be announced) or the longer term future. A report on the methodology to be used in the consideration of health centre innovations has already been received from the Flinders research team, and a further report on preliminary evaluations at Ingle Farm and St. Agnes is expected in October-November, 1974.

RAIL TRAVEL TO SYDNEY

The Hon. C. M. HILL: I seek leave to make a short explanation prior to directing a question to the Minister of Health, representing the Minister of Transport.

Leave granted.

The Hon. C. M. HILL: As an alternative to travelling by rail to Sydney via Melbourne, South Australians can choose to travel on the Indian-Pacific express via Broken Hill. However, people find difficulty in getting bookings because of the scarcity of sleeping berths and seating accommodation. Some people claim that the priority granted to those travelling from Perth to Sydney makes it almost impossible for Adelaide people to travel on this route. Will the Minister ascertain the current arrangements for holding some accommodation for passengers travelling from Adelaide to Sydney on the Indian-Pacific express and what period of time elapses between the date when reservations must be made in Adelaide and the date of departure?

The Hon. D. H. L. BANFIELD: I shall refer the question to my colleague and bring down a reply.

MOTOR VEHICLES ACT AMENDMENT BILL

Read a third time and passed.

PAY-ROLL TAX ACT AMENDMENT BILL

Read a third time and passed.

HOUSING LOANS REDEMPTION FUND ACT AMENDMENT BILL

Read a third time and passed.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

It is substantially the same as the Bill that failed to pass in the last session. Only a few minor technical amendments have been made to it. The Bill makes miscellaneous amendments to the Local Government Act and can be best explained by reference to its various clauses.

The Hon. M. B. Cameron: It has not been rewritten?

The Hon. D. H. L. BANFIELD: No, but I hope it has been rethought by honourable members opposite; that is all. Clauses 1 and 2 are formal. Clause 3 amends the definition of "ratable property" in the principal Act. The only amendment of substance is that land held by the Crown under a lease will become ratable property under the new provision. At present, land held by the Crown under lease ceases to be ratable property for the purposes of the Local Government Act. Clauses 4 and 5 provide for the appointment of a deputy mayor, who is empowered to exercise the powers of the mayor in his absence. Clause 6 makes a drafting amendment to the principal Act.

Clause 7 makes an important amendment to the principal Act in regard to the time at which ordinary meetings of the council are to commence. The amendment provides that such meetings must always commence in the evening unless the council resolves by a majority of two-thirds of its membership that they should commence at some earlier time in the day. This amendment is of considerable significance because it should enable ordinary working men and women and men and women involved in carrying on small businesses to serve as members of the council. Many are now excluded because the times at which the council meets are incompatible with their employment or their business commitments. Secondly, the amendment will enable greater numbers of ratepayers to attend meetings of the council so that more people may become involved in civic affairs.

Clause 8 amends section 157 of the principal Act. The effect of the amendment is to ensure that an employee of a council who serves continuously under a series of councils will be regarded as having been in continuous employment for the purpose of computing long service leave. At present, his service is deemed to be continuous with only one earlier period of service in the employment of another council. The amendments also provide that the new provisions relating to superannuation and long service leave shall apply to controlling authorities constituted under Part XIX of the principal Act. A machinery amendment is inserted to enable the council to obtain details of the previous employment of any of its employees in the service of other councils so far as that is necessary to compute rights of superannuation and long service leave.

Clauses 9, 10 and 11 make drafting amendments to the principal Act. Clauses 12 and 13 provide that a council may insure the spouses of any member or officer of the council while acting in the course of official functions. Clause 14 makes a drafting amendment to the principal Act. Clause 15 provides that a council may, with the consent of the Minister, grant a licence for installing pumps or equipment on or near a public street or road for the purpose of conveying water. Clause 16 enables a council to grant licences for roadside restaurants and cafes. Clauses 17 and 18 make drafting amendments to the principal Act. Clause 19 empowers a council to borrow money for the purpose of enabling it to provide long service leave and superannuation to its employees. Clause 20 provides that a council shall not convert park lands that have been dedicated as such under the Crown Lands Act into a caravan park unless the Minister of Lands has consented to that conversion.

Clause 21 provides that a council may lease park lands of up to six hectares in area and, with the consent of the Minister, may lease a greater area. Clauses 22 and 23 deal with the supply of gas by a council. The present provisions under which the council must itself own the gas-works are eliminated. The Peterborough council, for example, supplies natural gas reticulated from the pipeline operated by the pipelines authority. Clause 24 makes a drafting amendment to the principal Act. Clause 25 provides that a hide and skin market, or saleyard, must be licensed if established within a district council district. At present, a licence is required only if it is established within a township in the district. Clause 26 enables a council to maintain and conduct a market and saleyard. Clauses 27 and 28 make consequential amendments to the principal Act. Clause 29 provides that, where a council takes action to remove unsightly objects, it may recover the cost of its action from the owner or occupier of the land.

Clause 30 makes consequential amendments to the principal Act. Clause 31 makes drafting amendments to the principal Act. Clause 32 provides that a copy of the valuation roll prepared under the Valuation of Land Act will be evidence of the Government assessment. Clause 33 makes a drafting amendment to the principal Act. Clause 34 provides that a council may keep its records on microfilm, and the production of the microfilm record shall be sufficient compliance with any requirement to produce the record in legal proceedings. Clause 35 makes a drafting amendment to the principal Act. Clause 36 increases from 10c to $2 the fee that a council may charge for supplying details of unpaid rates and imposts upon property within its area. Clause 37 makes drafting amendments to the principal Act. Clause 38 and the schedule convert references to measurements into metric terms.

The Hon. C. M. HILL secured the adjournment of the debate.

PUBLIC PURPOSES LOAN BILL

Adjourned debate on second reading.

(Continued from August 28. Page 721.)

The Hon. C. R. STORY (Midland): In supporting this measure, I should like to make a few observations on the primary industry of this State. I hope to link up my remarks with page 5 of the Loan Estimates, dealing with loans to producers, advances to settlers, loans for fencing and water piping, and advances to the State Bank. I think that should give me a wide enough scope for debate. There has been a spate of interference in and intrusion into primary industry in the past few years that one would not have believed possible but a few years ago. One would not have thought that the Government could get away with it. This comes about mainly because primary industry has been going through a fairly difficult time. It has been forced by financial stringencies into accepting from the Government bounties, subsidies, and assistance in various forms. It is a good illustration of what primary industry tried to do for a long time—keep away from getting into the hands of the Government, which it succeeded in doing for as long as possible; but the economy of primary industries has reached such a point that many of them have had to seek, and have received, substantial assistance from Governments, both State and Commonwealth.

It must be galling to people, particularly in the larger industries of wheat and wool production, practically to have to sell their soul case and accept the dictates of the Public Service and the Ministers, both State and Commonwealth. It is not a good thing for primary industry,

or for any industry to have to lean too heavily on Government support, but it is even worse when people (and, in many cases, people without practical knowledge) are charged with the responsibility of seeing that the Government's money is being spent in the way the Government wants it spent. This has happened in many primary industries, and I am really saddened to see that those industries, which have voluntary marketing schemes and which have found it necessary from time to time to ask the State and Commonwealth Governments for legislation so that they could have orderly marketing, have asked only for a walking stick or a light cane to help them along the way but have been given a wheelchair and a set of splints.

This is true, and it is becoming more and more apparent that the States are now being by-passed by the Commonwealth Government because it has the money. Not only in relation to primary industry but also in relation to local government and other matters the States will become no more than post offices for Commonwealth departments, and it will not be long before the regional concept of the centralists becomes a reality. People will get down on their knees like those in other parts of the world do; they will look to the east in the morning and pray that the source of all knowledge and wealth does not dry up, and they will be completely beholden to Canberra.

The Hon. M. B. Dawkins: They will have to run to Canberra for everything.

The Hon. C. R. STORY: That is so, and the Minister of Agriculture in this State will be no more than a runner between the Commonwealth Minister and the grower organizations.

The Hon. T. M. Casey: He will have to be a bit of a long distance runner, won't he!

The Hon. C. R. STORY: The one attribute that the Minister of Agriculture has is that he is a fine specimen of physical development, and I am sure that the Minister would be as capable as anyone else in Australia of acting as a runner.

The Hon. Jessie Cooper: Still, they are very lonely.

The Hon. C. R. STORY: Yes, very lonely indeed. The apple and pear industry in this country is centred in Tasmania and Victoria in the main, as well as in South Australia, on the Murrumbidgee and in the granite belt of Queensland. The producers merely wanted a little co-ordination and, in latter times, when the export market became difficult and they wanted financial help, the Commonwealth Government did a most peculiar thing. In consideration for helping them, it removed the producers' board, which had been set up and voted on by growers. A new Act has also been passed, with the net result that grower representatives will be completely outnumbered by Government nominees. This is not good. The Minister has appointed Mr. Bain, a Hobart exporter and businessman, as Chairman. However, being an exporter, he would have a vested interest. Another representative is Mr. George Muir, a canner and manager of a cannery in the Goulburn Valley, who has a vested interest in the canning of fruit in that cannery.

I assure honourable members that no love is lost between the three principal canneries in the Goulburn Valley, and in this respect I refer to the Ardmona, S.P.C. and K.Y. canneries. The other member appointed by the Minister is Mr. Doug Jones, of the I.X.L. company. I would say this outside of the Council without fear of being accused of slander: if ever a group has taken the people for a ride over many years, It has been I.X.L., which is established in South Australia and South Africa, and is prominent in Tasmania. It held the Tasmanian apple and pear people to ransom for years before the war, because it was in the shipping business. Until I.X.L. got all the fruit it wanted for its cannery, the Tasmanian producers had to whistle and could not get a market outside the island.

Those are three of the board members appointed by the Minister and, although there are to be four grower representatives, South Australia has, significantly, dipped out again. Although it had two representatives a few years ago, it will now have none. We are not therefore being given a fair go and, if this is indicative of the way in which members of such boards are to be chosen in future, I hope that primary producers in the larger industries examine the composition of this board. I say this because a dairy produce board is to be set up at any time. Unfortunately, producers are a little naive and will accept proposals that are better than what they already have. If one does not have much choice in these matters, one is willing to accept anything that seems to be better than one has got. The dairy producers ought carefully to watch the constitution of their board, which is to be an equalization board that will deal not only with the home market but also with export markets.

New South Wales and Queensland, which have low quality produce and where the butter fat content from milk is low, have always found difficulty getting a home market. However, in South Australia and Victoria the quality is good; indeed, South Australia's record in relation to cheese is extremely good. If we have to go into the equalization scheme with the other States, it may be all right, if one is prepared to share with one's brother, which one ought to be prepared to do provided that one sees to it that each provides produce of an equal quality. However, there is no guarantee of that. In setting up the new Apple and Pear Board, the Commonwealth Minister for Primary Industry was reported in the August 29 issue of *Farmer and Grazier* as having said:

> It would absorb the export control and regulation functions of the Apple and Pear Board and would take on a wider role in trading in its own right, charter shipping for trade, and be able to borrow funds for trading with Government approval.

The latter part of that statement is one of the funniest things that has been said for a long time. A report in the same newspaper headed "Reduced second payment on wheat disappointing" states:

> The Australian Wheat Board's request for the use of temporary overdraft funds from the Reserve Bank, with which to meet its scheduled payment in August of $7.35 a tonne, or 20c a bushel, on the 1973-74 pool wheat has been refused by the Australian Government.

The apple and pear producers will, if they receive the same treatment as the wheat producers have received, get only scant attention.

The Australian Meat Board is yet another authority that is marked for attention. Currently the Australian Wine Board is under close scrutiny and has been told already that there will be changes. These industries are putting in much of their own money, and they have been putting much of their own money into advertising, but the Commonwealth Government's matching money does not entitle it to take over the industry and dictate the manner in which the industry involved should be run.

Primary producers should be extremely careful at this time and should not be taken by the nose just because they need, money. They are viable people, and they are entitled to consideration. Reference has been made to a revolt by primary producers, but I do not believe it will take that form, although there will be political revolt by

them. There is no doubt about that. Although I do not imagine that they will have a sit-in at the Minister of Agriculture's office, I believe that they will have a sit-in on voting day at the next election, and they are entitled to do so, too.

The Minister and I seem to have been at variance in the past week or two about the wine industry in South Australia. My interest in this subject has been prompted by the speech of the Hon. Mr. Chatterton in the Address in Reply debate on July 24, 1974, reported in *Hansard* at page 26 as follows:

I should like first to turn my attention to a problem with which I have become closely associated in recent months. I have been appointed by the Premier as chairman of a working party that is investigating reconstruction proposals for the irrigated vine-growing areas. I wish to speak more generally about reconstruction problems in relation to agriculture as a whole.

On hearing those comments I thought that was a good idea, but the sphere of inquiry seemed rather restrictive. I then asked a question about whether the Government would extend the terms of reference of the committee to enable it to investigate on a wider prism the whole of South Australia's wine-grapegrowing areas. After some time I was told by the Minister that that was already provided for in the original reference to the working party. However, I can go only on what the Chairman of the Committee has told this Council, and he made it clear what his task was at that time. Therefore, I believe I was justified in trying to have the inquiry cover the whole State. I am still in doubt, because I received a reply to that question from the Minister, as follows:

The working party, appointed by the Premier and chaired by the Hon. Mr. Chatterton, had for its principal term of reference:

> To produce recommendations for a major reconstruction of the grape growing industry likely to improve its economic viability and safeguard the welfare of the existing population involved in the industry.

The early term of reference related to reviewing grape prices for the 1974 vintage. From the major term of reference it can be seen that members of the working party are not expected to confine their inquiries to the irrigated areas, although they may well find that economic and social problems are more severe and more complex in the irrigated areas.

Be that as it may, that is still only an opinion. I refer to the original terms of reference and the reviewing of grape prices for the 1974 vintage. I was fairly instrumental in establishing the Grape Industry Advisory Committee to advise on grape plantings. That committee comprised representatives of all of the different facets of the industry and, as far as I know, the committee still exists. I believe the working party has been established as a result of the Industries Assistance Commission inquiry, which is currently going on. I believe the members of the committee headed by the Hon. Mr. Chatterton are Mr. Hunt, an economist from the Agriculture Department, Mr. Gilchrist, from the Lands Department, and Mr. Smith, from the Premier's Department.

I presume that their job is to collect evidence to provide the State Government with the ammunition to build a case to put to the I.A.C., which currently has an inquiry in progress. I believe the working party gave evidence and was called into consultation with the Commissioner for Prices and Consumer Affairs (Mr. Lance Baker), who annually fixes the prices of grapes in both irrigated and non-irrigated areas in South Australia. I seek clarification about the recommended classifications of grape varieties by the Hon. Mr. Chatterton's committee. The committee seems to be recommending certain varieties because of their premium wine value, and they seem to have attracted a value greater than one might have thought would be set by the Commissioner for Prices and Consumer Affairs. Usually, when the price of a commodity in primary industry is increased it is to encourage growers to increase production of that variety. If the price on certain varieties is kept down and the price of other varieties is increased, growers will eventually grub out and replace their planting slocks with the more lucrative varieties. What has happened as a result of the Commissioner's most recent determination in respect of grape prices in South Australia? I refer to the grapes which have provided the vehicle for Lindemans to be able to spend money in every winegrowing State for expansion and the grapes that have developed McWilliams into a colossus. I refer also to firms like Penfolds, Gramps and Seppelts. Those wines are receiving accolades of gold, silver and bronze medals not only in Australia but also in other countries. The majority of those wines, as far as South Australia is concerned, would have a very large content of river sultana and other popular varieties in them. Gordos, sultanas, grenache, shiraz, and doradillos have been the growers' grapes; it is on those grapes that the co-operatives have been founded, and it is on those grapes that the bigger enterprises have been able to expand and to develop a very good wine for the average person. Not everyone can afford to grow cabernet sauvignon at a return of one tonne to the acre in dry areas and, if he is lucky, 3½ tonnes to the acre under irrigation, when he can get seven or eight tonnes and up to 10 tonnes to the acre of the other varieties I have mentioned.

The Commissioner for Prices and Consumer Affairs took some notice of the advisory committee. The price for sultanas is quoted at $69 a tonne, gordos $69 a tonne, and doradillos $68 a tonne. The price for grenache is $76 a tonne for irrigated areas and $97 a tonne for dry areas. Pedro is another variety that the Chatterton committee has said it is not desirable to continue with or to plant; that variety makes an exceedingly good wine, and a wine that is accepted by winemakers. The price for this variety is $69 a tonne for irrigated areas and $81 for dry areas. The price for rhine riesling is $134 a tonne for irrigated areas and $157 a tonne for dry areas. When we compare those prices with the prices for pedro, there is a vast difference. For the Clare region the price is $92 a tonne for irrigated areas and $111 a tonne for dry areas.

We must be careful to ensure that the livelihood of many people is not affected. We must not try to get people to take out varieties by imposing on them an economic sanction to do so, and that is precisely what is happening here. The price of madeira is $92 a tonne, and the price for cabernet sauvignon is $205 a tonne for dry areas and $164 a tonne for irrigated areas. When we think of people who are trying to grow fruit and to rehabilitate properties, we realize that the figures are out of proportion. The individual winemaker is entitled to go for the fine and delicate wines if he wishes to do so; he can plant his own grapes. Further, the individual who is financially independent can plant his own grapes if he wants to have premium wines. After all, a few winemakers in the Napper Valley of California grow grapes for premium wines, but the majority of the wine is turned out in the Fresno area; that good wine is sold to the American people, and they can afford to buy it.

I challenge anyone who says that there is that much difference between the river wines and the wines from other parts. It is a bit of snobbery that grew up in the

early stages, but it has been proved that, with good blending, those wines will turn out to be as good as any other wines. We know that we want some wines for blending, but we do not want the rump of the wine industry to be made up of cabernet sauvignon and other grapes of that nature, because we will get our growers into even more difficulty if we persevere with that.

The Hon. Mr. Chatterton referred to the Green Paper on the rehabilitation of primary industries generally, but I do not put nearly as much faith in the Green Paper as some other people do. I wish to refer to the figures given by the Bureau of Agricultural Economics in connection with the vine stabilization scheme. A person who owns a property producing wine grapes is allowed $2 372 a year, on the owner-operator schedule. For his managerial skill he is granted an additional $1 284.

The Hon. R. C. DeGaris: That is $20 a week.

The Hon. C. R. STORY: Yes. The owner-operator, with allowances, gets $3 656, which is below the basic wage pertaining in those industries at present. If they are the kinds of figures on which the Green Paper and the stabilization schemes are based, much more research needs to be done before the Commonwealth Government accepts *carte blanche* the advice of the people who compiled the Green Paper. That report came out too quickly and should not have been published until after a full inquiry had been carried out.

I will now give a breakdown of the figures. For an ordinary bottle of wine (in order to give honourable members an example of where the money goes), the grower's share is 8c; the glass-maker gets 11c; the label, cork or cap-maker gets 10c. The producer is worth only 8c, after he has taken all the risk of growing the grapes for 12 months. He has had to take every bit of the risk, and receives only 8c. The bottle-maker gets 11c, and he can insure in case a bottle breaks. (He has no worries; he can be covered by insurance.) However, the grower cannot be covered in the event of frost, hail or downy mildew. The cork, label or cap-maker, who can look after himself adequately, gels 10c. To place that bottle of wine on any shelf where it can be sold (whether on a merchant's or hotel's shelf), there is a 37 per cent mark-up for a start. There is an automatic 15 per cent mark-up on the price at which he buys it for resale. The more people put between the producer co-operative and the man who goes in to buy the bottle of wine in the bottle department, the more costly it becomes because there is a percentage mark-up by each one.

One very famous brandy is made in South Australia. The firm concerned has been taken over by the South Australian Brewing Company Limited, or the brewing company has an interest in it. At 900 bottles of brandy to the tonne of grapes, the grower receives $70 for the tonne. The commission and delivery charged by the brewing company from its depot in Adelaide for this brand of brandy is 8 per cent. An 8 per cent charge on these figures gives $70 for carting the brandy from the depot to the hotel. That is precisely the same sum as the grower receives for his tonne of sultanas.

The next point I come to is the excise aspect. Grapes at $70 a tonne (and taking $70 at eight tonnes production an acre) gives $560 to a grower for his eight tonnes. The Customs and Excise Department receives about $968 for that tonne of grapes. In other words, the grower receives $560 from his 8 tonnes of grapes and the Commonwealth Government receives about $8 000 (or between $17 000 and $18 000 a hectare). The other problem is that a grower has trouble financing his operations for 12 months, plus at least another six months that he waits after his delivery. Only few people pay on the spot on delivery. If a grower delivers in late February he is likely to get cleaned up by June 30 of the following year; so, that is an 18-month delay. Growers are always short of liquid funds.

This is an important matter and one which the Prices Justification Tribunal should examine and do something about. I think, too, that the Commissioner for Prices and Consumer Affairs should have his Act re-examined, because he is somewhat hamstrung by his terms of reference in fixing prices. Instead of his looking at a fair and just living (I think that that is the way it is described, from memory), he should look at the cost of production from a realistic point of view. Obviously, he should not look at the owner-operator and the figures the B.A.E. has set. This industry needs a proper survey. All facets of the industry should be inquired into from go to whoa. Nothing has been done for 20 years. Take, for example, a company such as Lindemans, which started off with a few hundred acres at the end of the war and which has expanded tremendously.

Obviously, the grower is not receiving nearly enough for his role in the industry. Lindeman's took 15 000 tonnes of sultanas out of Mildura last year. Penfolds is in the market for a substantial area of sultanas in Mildura, and is willing to spend $750 000 on a winery. Hard-headed business people such as they are do not go into the game unless they can see the chance of getting a good return for their money. The multi-nationals have now moved into the industry; this is a tragedy, because I liked to think that the State and the Commonwealth had a nice wine industry. When a winemaker gets mixed up with condiments, blue rinses, etc., it will not be long before the industry will be in exactly the same position as is the industry in California, where grapes are taken to the door, poured out, computerized, and the wine comes out the other end in a bottle. (It is like artificial insemination: it takes all the fun out of it.) The traditional winemaker has meant something to South Australia, and the industry has been built on the oenologist, who has been fortunate in being able to train in this State. I want to see the industry prosper, and I know that the Murray River areas are in great need of rehabilitation; other areas of this State, of course, are equally in need of rehabilitation.

The opportunity appears to have arisen for this to happen, but not nearly enough publicity has been given to the setting up of the committee of which the Hon. Mr. Chatterton is Chairman, nor has there been nearly enough information given by the Government, It is in the interests of the Government to give wide publicity to the fact that, in the wine industry as well as in other primary industries, people should be preparing cases and feeding information to the appropriate authorities. This is being asked for, and certainly it is in the interests of the townspeople as well as everyone in primary producing areas, including local government bodies, to support the efforts to prepare cases to try to get primary production back on its feet and viable so that it can opt out of some of the hand-out obligations that are necessary when it must lean heavily on Government support.

Primary industry is in need of guidance and leadership. I have respect for the Commonwealth Minister for Agriculture, as I have for the South Australian Minister of Agriculture, but the Commonwealth and State Governments have poor records in handing out money to the Ministers with those portfolios. The same situation applies in the Lands Department; the primary industry section is

the Cinderella. People who make loud noises about education to both Governments get practically what they ask for. It is Parkinson's law, to a large degree. Education gets money shovelled into it, and no-one really checks, at the Commonwealth level, on how money is spent on education. If they did, the present performance would not be going on at Flinders University. However, when it comes to primary industry, practically every cent given to the Minister of Agriculture by way of Commonwealth grants for research programmes must be accounted for, otherwise the grant is reduced in the following year.

If it were not for the money coming into the Agriculture Department from the Commonwealth, people would have to be laid off and it would not be possible to keep up even the ordinary research programmes. The South Australian Treasury and the Treasurer, as well as the other more vocal portfolios, get the bulk of the money available. If one takes the time to analyse how much the Agriculture Department and the Lands Department have dropped back in the proportion of State spending over the past 15 years or 20 years, one finds that the situation is indeed sad. Nothing has happened in the past two or three years, in the State or the Commonwealth sphere, to rectify this situation.

I have not been unduly critical in my remarks. I have endeavoured to be analytical, and I hope that what I have said will encourage the Minister to go to Agricultural Council and tell the Commonwealth Minister and Ministers from other States how we feel about the present situation.

The Hon. B. A. CHATTERTON (Midland): I should like to take up some of the remarks made by the Hon. Mr. Story, who was quite right in saying that the first task of the committee of which I am Chairman was to look into the matter of grape prices. The situation that existed then, as no doubt he was quite well aware, was that the Commissioner for Prices and Consumer Affairs, over a period of about 30 years, had been giving price determinations for grapes, either on a basis of voluntary agreement or under legislation, and these price rises had been confined to a percentage increase over all varieties or, in some cases, a flat increase of so many dollars a ton. Over that period there has never been an investigation or any inquiry into the question of whether differentials between varieties should be altered, yet over that same period of time the wine market changed dramatically.

About 10 years or 15 years ago, the wine most consumed in Australia was sweet sherry. Without having the figures in front of me, I think the quantity of sweet sherry drunk in Australia at that time was greater than the total quantity of all other wines combined. Naturally enough, therefore, the demand for grapes was very much dominated by those varieties suitable for making sweet sherry and similar wines. The situation has completely changed, and the dry red and dry white table wines are now not only the most important part of the wine market, but also the fastest growing part of the market. The current rate of increase for dry reds and dry whites is about 20 per cent a year, whereas the situation with sherry shows a slight decline or a slight increase, but generally very much a stable situation.

It was with these factors in mind that we thought an alteration in price differentials was needed. We were reflecting really the historical situation: the change in consumer demand for wine had been so dramatic, yet changes in price differentials for grapes had not changed, and we thought that that was an important matter. The wine industry had already moved in this direction to some degree, because substantial bonuses were being offered on the so-called premium varieties. Some were a great deal higher than we recommended to the Commissioner for the new prices.

That is the background to the change in price differentials that occurred in the 1974 vintage. All the increases recommended were higher than the price situation that would have occurred previously. We were not taking anything away from the doradillos, the pedros, and similar varieties; we were in fact advocating an economic incentive over and above that to produce the varieties that were in demand.

The second task, as the Hon. Mr. Story rightly pointed out, was to produce long-term proposals for the reconstruction of the industry. The terms of reference, as the Minister of Agriculture said, were to cover the whole industry. I apologize to the honourable member for giving him the wrong impression during my Address in Reply speech when I said the committee was preparing plans for the irrigated areas. That is true, because that is what we are doing. The Industries Assistance Commission is investigating that area of the industry, an area that we consider has the highest priority, although there are more urgent problems in those areas. We do not wish to ignore the existence of problems in other areas, too, but there are much greater problems in the irrigated areas.

I believe those problems are associated with the greater indebtedness of growers in the irrigated districts. That indebtedness can not, in itself, be taken as a positive indicator of economic hardship. No-one is particularly worried about the indebtedness of the Broken Hill Proprietary Company Limited or other similar companies because they borrowed money for investment and are obviously seeking a good return from it. The indebtedness of growers is in a different category altogether, and one should be very worried about it because the indebtedness of growers in the irrigated areas is associated with the problem lightly touched on by the Hon. Mr. Story when referring to the delayed payments for grapes and other grower products.

The situation is much worse than the honourable member mentioned because not only is there an 18 month delay but in many cases it could be five or six years before a grower gets money for his grapes. I recently looked more closely at these figures and, as an example, indicate that in the Loxton area there are about 150 growers supplying grapes to Loxton Co-operative Winery and, to bring grower payments up to the prices that have been fixed by the Commissioner for Prices and Consumer Affairs would require a payment of about $1 100 000 to the growers. That is the sum owed to growers for past deliveries of grapes to that winery, and this is particularly worrying because of the effects of inflation. When payments are made for grapes delivered five or six years ago the value of those payments will be lower in real terms than when the grapes were delivered.

This is a matter we shall put before the Industries Assistance Commission because we believe we have a strong case for assistance in that area. That is particularly so when it is remembered that the commission (when known as the Tariff Board) refused protection to Australian brandy. The remarks I have made, I believe, cover some of the points raised in this debate by other honourable members, certainly as far as they related to my committee.

In supporting the Bill I commend the Treasurer for his dynamic leadership in the field of economic affairs. I am not referring merely to this Bill, which as the Hon. Mr.

Hill said, is a fairly routine piece of bookkeeping, but to the initiatives taken by him in developing a more rational economic policy for Australia. While some State Premiers have been content to moan about inflation and not to put forward any concrete proposals to solve the problem, the Treasurer here has been active (and this State can be proud of him in that respect) in developing new policies to counter inflation and to keep the South Australian economy functioning without there being severe unemployment.

Of course, we shall not know until September whether these new directions, in which the Treasurer has played an active role, will be adopted by the Australian Government. If his suggestions are adopted, we shall see the first radical change in economic direction in Australia for more than 20 or 30 years. The policy of the Australian Treasurer so far has been to attempt to manage supply and demand. That was an appropriate policy for the last 15 or 18 months, as it became obvious that excessive demand, witnessed by shortages of goods, was probably the prime reason for inflation. Actions taken by the Australian Treasurer were quite different from actions taken in the past and were successful in that field. The Commonwealth Government instituted a 25 per cent tariff cut and revalued the currency; both measures increasing the supply of goods on the Australian market.

The other policy of the Australian Government was to attempt to control demand by using a credit squeeze, the traditional method of using the statutory reserve deposits and through increased income tax receipts. The Australian Government produced a surplus situation and reduced credit that would normally have been available for investment and consumer spending. That policy was quite successful in reducing demand, but I believe it was an unfair method because it reacted harshly on people wishing to build houses and on the availability of consumer credit. Companies that had internal funds, by means of retained profits, were not as seriously affected. This policy of restricting credit has been used many times in the past, and has a severe effect on the home-building sector of the economy and, indeed, on the building industry in general. While the building industry is being used as an economic regulator, it has little chance of increasing productivity.

One can hardly blame builders and property developers for not investing money in new techniques to increase productivity when the industry is going from a boom to bust situation so regularly. This method of using a credit squeeze to control demand has been justly criticized by the Hon. Sir Arthur Rymill. However, what surprised me was his claim that it was a Socialist policy. It was the same sort of policy that was used by the Menzies Government in 1960 and by the British Conservative Party when Selwyn Lloyd was Chancellor of the Exchequer. On neither occasion would the policy have been considered Socialist. Unfortunately, the Australian Treasury seems to believe that that policy should be used in the future. I believe it is an approach that is remote from the world of today. The mini Budget introduced recently by the Australian Treasurer (Mr. Crean) increased the tax on spirits and tobacco. If those measures were aimed at controlling demand, which they certainly achieved in a strange way, they controlled demand in a sector where there were no shortages. It was an extremely clumsy measure and it was inappropriate to believe that by taking away spending power in those two sectors demand would be controlled in another sector. However, that is what the Australian Treasury expected of its policy.

The inflationary trend has altered radically since then and we are now experiencing cost-push inflation. The Australian Treasury's remedy for this is to continue to place restrictions on demand, which in turn will reduce productivity and increase costs to the community. Increased costs will obviously be the result because overheads will no longer be spread over such a large area of production. Also, industry in Australia is capable of passing on these costs. The Treasury case is that there will be increased competition, which will keep prices stable, but I think the evidence is in the other direction. The other result of the policy would be increased unemployment. Here again, I think the Australian Treasury is unrealistic if it believes that unemployment will reduce wage demands. Certainly in Britain, where this has been used many times as an economic regulator, there is no correlation between the level of unemployment and the level of wage demands. Taking the same sort of example for the Australian States, where at various times there have been various levels of unemployment in the different States, there has been no noticeable difference in the level of wage demands, so I do not think this approach has any chance of success.

The new approach to this problem that has gradually developed through various initiatives by our own State Treasurer and Dr. Cairns in Canberra is a different approach altogether. The first essential of that approach is the indexation of wages to the cost of living. Traditionally, this is always regarded as an inducement to greater inflation, but I think we now realize, in our present situation, that the leapfrogging of wage demands owing to sharp rises in the cost of living is a greater danger than the index wage system. However, if wages are on an index system and if the Prices Justification Tribunal decisions can be enforced, the Australian Government has the opportunity to make a concerted attack on the cost of living and reduce wage demands, and therefore wage costs in the economy. The indications are that this is the policy that will be accepted. There is, of course, no guarantee of its success, but I think the policy previously advocated by the Australian Treasury is doomed to failure.

The Hon. M. B. DAWKINS (Midland): I rise with some concern to comment on this document. We were told earlier that at a meeting of the Australian Loan Council the Commonwealth Government had made an increase on last year's allocation of about 10 per cent and that the gross programme of $990 400 000 was an increase of slightly over 10 per cent on the 1973-74 gross programme. That included, of course, some $60 000 000 odd, which was the Commonwealth Government's contribution to tertiary education. This increase is common to all States. As we know, the inflation rate, running at between 14 per cent and 20 per cent, is by no means covered by an increase of just over 10 per cent and, with continually escalating costs and the fact that we are getting less work done for more money all the time, it means that there will be some inevitable scaling down in the activities associated with Loan funds.

What stand out clearly in this document are the bad deals we got from the Commonwealth Government in the way I have just outlined, and also the centralism that was showing previously and is still continuing in the dealings between the Commonwealth Government and the State at present, in that we are getting money allocated for specific programmes. This means we are becoming, as the Hon. Mr. Story has said, only the post office between the Commonwealth Government and the people, which is a complete negation of our federal system, and that is a

serious matter. Only recently, we noticed an example of the Minister of Transport in this Slate being by-passed in correspondence between the Commonwealth Minister and local government. We were also given an example of the State Minister of Transport's concern (to put it mildly) about that situation; and yet, of course, that is the logical development of the policy that his Government and his Party have always supported; it is a policy that will, I believe, lead io disaster in this country.

My colleagues have discussed various projects in these Loan Estimates; I do not wish to discuss very many, but there are one or two things I want to mention. The first is the advance of $2 000 000 for financing the sealing of the Eyre Highway last year, and a further advance of $1 000 000 proposed for that purpose this year. No-one would oppose the sealing of the Eyre Highway, which is long overdue. It was an undertaking that should have been largely underwritten by the Commonwealth, because very many of the people using that highway are other than South Australians. I note that the Treasury is providing another $1 000 000 for that purpose until such time as the remaining work is financed, under the proposed National Highways Bill, by the Commonwealth Government. I express my regret at the change in priorities in roadworks under the present Government and under the policy of the Australian Labor Party, because there is a considerable change of priorities in local government work and in the allocation of moneys to local government areas. The great difficulties being experienced in many councils at present are a direct result of the policy of providing money for national highways and urban roads, and overlooking the lateral roads and many areas of development which were progressing satisfactorily under local government when the Hon. Mr. Hill was Minister, and which now, with the escalation in costs coupled with the reduction in grants, have become a very serious problem for local government authorities.

I think it was the Hon. Mr. Burdett who, having made some criticism, thought he should commend the Government, which he did, on its policy towards hospital buildings. However, I notice that $21 000 000 has been allotted for hospital buildings, and that last year the allocation was a little over $20 000 000; that means there will be an increase of nearly $1 000 000, but that will be inadequate to continue or sustain the present rate of development. Most of that is to go to Flinders Medical Centre, which I believe is greatly overdue. In my opinion, as I have said before, this medical centre should have had priority over the construction of Modbury Hospital.

I express concern that Glenside Hospital is receiving only $305 000 and Hillcrest Hospital just over $1 000 000. The Minister of Health expressed concern about both of these places. I am sorry that it has not been possible to allocate more than these relatively small sums for these two hospitals, which urgently need attention. I am also sorry that Cabinet has not seen fit to do anything about helping Memorial Hospital, which for many years has given very great service not merely to the city of Adelaide but to the whole of the larger metropolitan area and, indeed, to some of the nearer country areas. I express regret that the Government has shown a certain amount of parochialism in this matter, because it has helped other private hospitals. It has not even said that it may later reconsider its decision.

I commend the Government for the $42 000 000 that has been provided for the erection and rehabilitation of school buildings, and additions to schools. I agree with the Hon. Mr. Story, who indicated, although not in so many words, that one could become quite emotional about education and school buildings and that an unlimited amount of money could be allocated, without criticism, for these purposes if other more urgent matters were neglected. Although I commend the Government for what it is doing regarding school buildings, there is a limit to what can be done in education, especially having regard to the needs of other departments.

At Nuriootpa, two schools have for a considerable lime needed to be replaced or reconstructed. However, that work is now proceeding: a new primary school is being built, and considerable alterations and reconstructions are proceeding at the high school. Perhaps it is a coincidence that these two projects, both of which were very much overdue, are now being carried out at the same time in this relatively small town.

I should like to refer to one or two things regarding other Government buildings. The Hon. Mr. Hill referred to the $400 000 that has been allocated to the Transport Department to enable work to commence on the construction of its new office block. I interjected and said that "commence" was the operative word. It is obvious that $400 000 would be enough only for the commencement of that work. Considerably more money would probably have to be provided for a complete office block for the department.

The sum of $1 250 000 is provided for the continuation of the redevelopment of Parliament House. Some honourable members probably wonder whether they will still be here when this work is finished, as it is taking a long time and is costing much more than it should be costing. Nearly $4 000 000 is provided for the new administration building that is being constructed on the corner of Flinders Street and Gawler Place to replace the old Education Building. When I see this sort of thing happening, and when I consider that three or four years ago a new building was constructed for the Tourist Bureau (it was overdue, but whether it was the most important thing is another matter), I think of the Agriculture Department, which is still operating under difficult conditions in a converted warehouse in Gawler Place. It would indeed be a pity if that state of affairs was permitted to continue indefinitely.

I believe that the Minister of Agriculture is to be housed in the new administration building to which I have just referred. It is a pity that the Adelaide section of his department cannot also be housed there. The department's facilities are atrocious, and it is a reflection not only on this Government but also on former Governments that the department has not been rehoused in a new building.

The Hon. T. M. Casey: It should have been done years ago.

The Hon. M. B. DAWKINS: Precisely, probably when the Government to which the Minister of Agriculture belongs was formerly in office between 1965 and 1968. I am concerned that the department's projected move to Monarto will put off something that has been so much overdue for so many years. This is indeed regrettable. Regarding the projected transfer of the Agriculture Department to Monarto, the Minister was kind enough to reply to a question I had asked regarding the number of employees at present located in Adelaide, the number that could possibly be shifted to Monarto, and the number that might remain in and around Adelaide. The Minister said:

The Government has no intention of directing employees where they shall reside.

That is largely what I expected him to say. However, the whole point is that the Government will, in effect, direct many members of the Agriculture Department regarding where they will reside, merely because they will have to travel about 640 kilometres a week if they continue to

reside in Adelaide after the department shifts to Monarto. Of course, many departmental officers will not be able to afford to do this, although some staff members on the top strata who are close to retirement will perhaps be able to do so. It is regrettable, whether or not the Minister likes it, that the Government's action will tend to force people to live at Monarto.

I now refer to the Electricity Trust. I commend the trust for the wonderful work it has done in South Australia over many years. When they think of the successful work that the trust has done, all members can remember the long period of successful Premiership of Sir Thomas Playford. With other honourable members, I was able recently to attend the opening of the Dry Creek power station, when the second gas turbine unit began operating. I believe the final unit is soon to be put into operation. That station, as I saw it, is well worth having, as it can be brought on to full capacity in only nine minutes if it has to take the place of any plant that breaks down, or if it has to augment the load. This is indeed an important part of the trust's equipment.

Something else that will always remind honourable members of the Premiership of Sir Thomas Playford is the Leigh Creek coalfield, to which $1 000 000 has been allocated. I was able recently to visit the coalfield and to see some of the work that has been done and is being done there, as well as the alterations that have been made. I am pleased to know that this has been made possible. The project planned for 1974-75 is the development of the lode "B" coal area. I notice also that $5 000 000 has been allocated to the Natural Gas Pipelines Authority. Although I do not wish to dwell at length on the Redcliff project, I do want to say one or two things about it. I am concerned, because I believe that the sites for both the Redcliff project and Monarto are unsuitable. Eventually, Monarto will be a satellite city. Neither of these developments will be ideally located. Both sites are probably equally unsuitable, except possibly for the purposes of the Australian Labor Party.

The Hon. T. M. Casey: What do you mean by that?

The Hon. M. B. DAWKINS: The Minister can work it out for himself. It may suit the Labor Party to have a large city near Murray Bridge and a considerable increase in the population of the cities of Port Pirie and Port Augusta.

The Hon. D. H. L. Banfield: Don't you believe in decentralization?

The Hon. M. B. DAWKINS: I will prove to the Minister how wrong he is in that statement with regard to Monarto in a few moments. The Hon. Mr. DeGaris drew attention to the porous soil at Redcliff where ponding would occur. He referred to the type of soil that would absorb the effluent, probably facilitating the transfer of the effluent into the gulf waters and resulting in pollution. If the Government can prove that this is not a great disadvantage in locating this project in this area, I shall be pleased, but at present this seems to be a serious problem regarding the siting of the Redcliff project.

I notice that $1 000 000 is allocated to the Monarto Development Commission. I have already said that I believe the site for this new town is unsuitable. The environment and the climate are not really suitable for a city. The soil is unsuitable. Knowing a little bit about the area, I can say that it has many rocky outcrops, with no great depth of soil. If services such as sewerage and so on have to be laid at any depth, considerable blasting will be necessary, in view of the rocky subsoil. With regard to rainfall, the area is also unsuitable. The Minister of Health (whom I find a much more dignified member on the front bench than he was on the back bench) interjected regarding decentralization. However, I believe that Monarto, if it eventuates, will be as much a satellite city as is Elizabeth.

In the 1980's, the distance of 64 kilometres from Monarto to Adelaide will present no more difficulty to people than the distance of 25 km to 28 km from Elizabeth to Adelaide presented to people in the 1950's. Many people who will live in Monarto if it goes ahead will commute to Adelaide each day, so that I do not think such a development represents decentralization. If it were to represent decentralization, the development would have had to take place much farther away from Adelaide. Although I am not at all happy with the Loan Estimates, I support the Bill.

The Hon. T. M. CASEY (Minister of Agriculture): I thank honourable members for their contribution to the debate. The main theme in their remarks seems to have been their disagreement with the developments at Redcliff and Monarto.

The Hon. R. C. DeGaris: Not disagreement; that's not correct.

The Hon. T. M. CASEY: The Hon. Mr. Dawkins said that he did not agree with the Government's proposals for Redcliff and Monarto.

The Hon. M. B. Dawkins: No, the site.

The Hon. T. M. CASEY: He said that he would sooner see a development at a site other than Monarto. He quoted the Leader of the Opposition as saying that the Redcliff site was no good because of the ponding situation in the area, with porous soil being involved. That indicated to me that the honourable member did not agree that the Redcliff project should be sited in that area.

The Hon. M. B. Dawkins: I don't disagree with the project, but I question the site.

The Hon. T. M. CASEY: The Government is trying to entice a large industrial complex to South Australia to establish at Redcliff. If this happens, it will be of enormous benefit in the long term to the people of South Australia. So often we have heard people saying that we should stop cities from becoming larger each year and that the only way to do this is to establish satellite cities. Monarto indicates that the Government has accepted this point of view. I suppose that it is the prerogative of the Opposition to criticize the Government. However, to be fair, no honourable member in this debate who has criticized the developments at Monarto and Redcliff has submitted an alternative.

The Hon. R. C. DeGaris: Is this the first time the Government has admitted that Monarto is a satellite city?

The Hon. T. M. CASEY: I think it has always been recognized as that, as this has been a matter bandied around for many years. With regard to the size of Sydney, many people have said on television that in New South Wales satellite cities should be developed. This term has been used in America for many years. Such a development may begin as a town, but eventually it will develop into a city. I think that Port Lincoln was the last town that became a city in South Australia.

The Hon. A. M. Whyte: Port Augusta became a city after Port Lincoln.

The Hon. T. M. CASEY: That could be. Only 10 000 people need to reside in a town for it to become a city. Honourable members should do a little bit of hard thinking about this matter. To give credit where it is

due, I concede that honourable members opposite have tried to criticize the Government, but they have not been very convincing.

The Hon. Mr. Hill, who was the first Opposition member to speak, asked why $400 000 had been allocated to the Transport Department for an office building. On checking, I find that this sum is to be used to construct a building in which the Motor Vehicles Department will be housed. I am sure that the honourable member will agree that it is desirable that the department should have its own building. Although other honourable members have asked specific questions, at this juncture I have not been able to obtain replies. However, in the words of the late Frank Walsh, I assure honourable members that they will receive a letter in writing giving the reply. The Hon. Mr. Burdett suggested that certain works being constructed on the Murray River by the Engineering and Water Supply Department were being constructed by the sewerage branch of that department. However, I can clear up any doubts he has about the matter; these works will not be used for the sewage disposal from river boats.

The Hon. J. C. Burdett: What are they for?

The Hon. T. M. CASEY: I am not sure about that, but I can assure the honourable member that they will not be used for sewage disposal.

All in all, this debate provides an opportunity for honourable members to criticize the Loan programme for the coming .12 months. I can assure honourable members that the Treasurer and Treasury officers have gone into this programme very fully. The Cabinet believes that the programme will benefit all South Australians. Some departments have been criticized by honourable members, but the Labor Party believes that everyone should be treated as equitably as possible, and the Loan programme represents an attempt to accomplish that aim. I thank honourable members for contributing to the debate, and I hope that everything will go according to the Loan programme.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6—"Issue and application of money from Loan Fund."

The Hon C. M. HILL: During the second reading debate I raised three questions, one of which the Minister answered in his reply to the debate, and I thank him for that. Another question related to the railways. The Minister has said that honourable members who have asked questions will receive written replies; I hope that the Minister's statement is not mere talk. The Minister said after the Address in Reply debate that honourable members who had asked questions would receive written replies, but no replies have been forthcoming.

It is about time the Minister looked at the whole procedure. The normal procedure in the Public Service is for senior departmental officers to peruse the *Hansard* pulls within 24 hours of the speeches being made. The officers then obtain replies to the questions asked and submit them to their Ministers; they certainly do that if they know that their Ministers genuinely want to serve Parliament by giving proper replies on the floor of the Council. Once senior public servants know that their Ministers do not care about replies, of course they become lax. I am not concerned with criticizing the public servants: the responsibility lies squarely on the Ministers.

In the future we must get back to the proper procedure that has traditionally been carried out in this Council in connection with the two most important debates. When honourable members do research and raise questions, they ought to be given replies at the end of the second reading debate.

The Hon. D. H. L. Banfield: How could that be done in connection with the three speeches made today?

The Hon. C. M. HILL: The Minister could have done it in connection with all the other speeches.

The Hon. T. M. CASEY (Minister of Agriculture): I undertake to do what the honourable member has suggested. I agree with his comments, and I will do my best to comply with his request.

Clause passed.

Remaining clauses (7 to 11), schedules, and title passed.

Bill read a third time and passed.

SUPERANNUATION ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

Members will recall that during the passage of the Superannuation Act, 1974, the principal Act, it was indicated that any difficulties and anomalies that occurred in that measure would be dealt with as they arose. In the nature of things certain matters have come to the attention of the Government, and this short Bill is intended to deal with them. To consider the Bill in some detail.

Clause 1 is formal. Clause 2 provides that the Act presaged by this Bill will come into operation on the day that the principal Act came into operation, that is, July 1, 1974. Clauses 3, 4, 5, and 6 are, as it were, "all of a piece". Although the provisions relating to the election of a contributor and pensioner's representative to the South Australian Superannuation Board have remained substantially unaltered for almost 50 years, a recent examination of the provisions by the Government's legal advisers suggested that the method of electing this representative that has been applied throughout the period does not strictly accord with the statutory provisions. The sole purpose of these clauses is, then, to ensure that the provisions of the statute are now in accord with, and authorize, what has been a long-standing practice.

Clause 7 amends section 28 of the principal Act by providing machinery for the payment of deputies of members of the South Australian Superannuation Board. Clause 8 inserts a new section in the principal Act and provides for the appointment of a deputy to act in the place of a trustee of the South Australian Superannuation Fund Investment Trust should the trustee be unable to perform his duties as such. Members will recall that, although two of the trustees are appointed by virtue of other offices they hold, it seems desirable that provision should be made to deal with the question of the temporary absence of one trustee. Clause 9 by amending section 42 of the principal Act provides for the payment of deputies of trustees, and is consequential on the amendments proposed by clause 17. Clause 10 amends section 49 of the principal Act and is intended to ensure that in the attribution of contribution months to a contributor there will be some consistency. Members will recall that it was provided in the principal Act for months of service to be attributed to contributors to attract into Government employment certain officers of somewhat advanced years who would otherwise find entry into the scheme of superannuation so expensive as to be economically unattractive. The amendment merely provides that all proposed attributions will be the subject of a report by the board, so as to ensure consistency in the application of the policy.

Clause 11 amends section 51 of the principal Act and is merely intended to make the meaning of this section quite clear. In ordinary circumstances an amendment would not be proposed to this section, but a question has arisen in relation to section 69 and the amendment here moved is basically to ensure a consistency of expression. Clause 12 amends section 69 of the principal Act to make it clear that to qualify for a progressive increase in pension a contributor must have attained the age of retirement and have had 360 contribution months, that is, 30 years service. In the section as amended it is now spelt out that, if before attaining the age of retirement the contributor has had 30 years service, the increases will be related to each month of service he works after attaining his age of retirement. If, on the other hand, a contributor attains the age of retirement without completing 30 years service, the increases will only occur when he has completed 30 years service.

Clauses 13, 14, and 15 all deal with the same matter, which is the appearance of the letter "N" in the formulae included in sections 79, 81, and 103. In some circumstances it would be possible for the factor (N-5) to have a negative value, and this would cause a distortion in the application of the formulae. The amendments, which are in common form, prevent the letter "N" having such a negative value. In conclusion it would be idle to pretend that a continuing review of the operation of the principal Act, which incidentally has been remarkably well received by the Public Service in general, will not throw up further anomalies and again the. undertaking is given that these will be dealt with as and when they arise.

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

SUPERANNUATION (TRANSITIONAL PROVISIONS) ACT AMENDMENT BILL

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

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

That this Bill he now read a second time.

This short Bill is intended to remove an anomaly in the formula in section 8 of the principal Act. The amendment proposed by this measure is the same in form to amendments before the Council to corresponding formulae in the Superannuation Act, 1974, which relate the interest payable on contributions to the South Australian Superannuation Fund upon withdrawal from the fund to the period over which the contributions were made. The amendment is intended to ensure that the factor (N-5) in the formula may not have the negative value, which it would otherwise have in the case of contributions over a period of less than five years.

Clause 1 is formal. Clause 2 provides that the Act presaged by this Bill will come into operation on the day that the principal Act came into operation, that is, April 2, 1974. Clause 3 amends section 8 of the principal Act to provide that "N = five or the number of whole years comprised in the prescribed period, whichever is the greater number".

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

MENTAL HEALTH ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

METROPOLITAN TAXI-CAB ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

This short Bill effects a minor metric conversion to the principal Act, the Metropolitan Taxi-Cab Act, 1956, as amended. Section 37 of the principal Act, amongst other things, exempts from the application of the Road and Railway Transport Act taxi-cabs plying for hire to any place that is distant not more than 25 miles from the General Post Office at Adelaide. An exact metric conversion of this amount is 40.234 kilometres, but it is intended that the figure inserted will be 40 kilometres. The difference in English measurements being about 256 yards is not felt to be significant in this regard.

The Hon. C. M. HILL secured the adjournment of the debate.

IMPOUNDING ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

This short Bill effects three amendments by way of metric conversion to the principal Act, the Impounding Act, 1920, as amended. Clauses 1 and 2 are formal. Clause 3 amends section 15 of the principal Act by converting a distance of five miles to one of eight kilometres, and this is almost an exact conversion. Clause 4 amends section 26 of the principal Act which fixes certain charges for the delivery by a pound keeper of certain notices. The alteration proposed here is to increase the charge from one shilling a mile to 10c a kilometre.

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

ARBITRATION ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

Its purpose is to render ineffective any provision in an agreement relating to future claims or disputes under which arbitration is made a condition precedent to the institution of proceedings in a court of law. Provisions of this kind are called *Scott v. Avery* clauses after the decision of the House of Lords in 1856 which decided that such clauses did not have the effect of ousting the jurisdiction of the courts and were therefore valid. The effect of the clause is that a person cannot sue in the courts. He must resort to arbitration, which is expensive and is conducted in private. These clauses are often oppressive to claimants under various kinds of contract. For example, in many contracts of insurance a person is compelled to resort to arbitration before he can sue on the policy. This is an additional and unnecessary expense to him. It severely curtails his rights where things go wrong in the arbitration. It gives the company the advantage of sheltering behind the privacy of arbitration and thereby escaping the adverse publicity of a court action.

Arbitration is frequently a shield for unethical business practices. The publicity of a law suit, which may expose a company's effort to avoid liability on some unmeritorious

ground, may be very injurious to the company. But arbitration proceedings are conducted in private, and so such publicity is avoided. However erroneous or defective an arbitration award may be, a claimant cannot obtain redress for its deficiencies except in the most exceptional circumstances. However artificial, or one-sided, the agreement may be he is still usually obliged to depend on it for the assertion of his rights. Commonly, for example, in indemnity insurance policies the liability of the insurance company is qualified by a *Scott v. Avery* clause, but the liabilities of the other party are not so qualified. These evils are intensified where the agreement is made between parties of widely different bargaining strength. The stronger party puts forward a form of contract (usually a printed form), which the weaker party must either adopt or reject.

The terms of the arbitration clause are not open to rejection. Even between parties of equal bargaining strength the clause is unsatisfactory because it involves binding the parties to arbitration at a time when the cause of the dispute and its suitability for arbitration proceedings is unknown. Clauses 1 and 2 are formal. Clause 3 enacts new section 24a of the principal Act. The effect of this new section is to render void any provision of an agreement that requires a future claim or dispute to be referred to arbitration. Subsection (2) makes clear that, where a dispute has actually arisen, it is competent for the parties to the dispute to agree to refer it to arbitration. Clause 4 makes a consequential amendment to the definition of "submission" in section 27 of the principal Act.

The Hon. F. J. POTTER secured the adjournment of the debate.

FIRE BRIGADES ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

MOTOR VEHICLES ACT AMENDMENT BILL

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

MORGAN-WHYALLA PIPELINE

The PRESIDENT laid on the table the report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Morgan-Whyalla Pipeline (No. 2) (Part Replacement).

STATE LOTTERIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 28. Page 723.)

The Hon. JESSIE COOPER (Central No. 2): I rise to support this Bill (which will enable the Lotteries Commission to borrow money) but with a few queries in mind. Chiefly, I would like to know why it is necessary to borrow money so that the commission can own its own building, when it would appear more appropriate for the commission to be a tenant in a Government building. I cannot understand, moreover, why entirely new accommodation should be necessary when there are so many existing Government buildings that have surplus space and/or which are being inefficiently used. I am thinking of such places as the old Foy and Gibson building, Ruthven Mansions or, indeed, much of the Adelaide railway station. Now that we have the Minister's assurance that the Motor Vehicles Department is to move from the railway station, this surely would be a more effective place. The rumour around the market place is that the commission wants to build its own building. This, I hope, is not true, for this is clearly an absurd time in which to be borrowing money for the purpose of an unproductive operation. I repeat that I can see no reason why the commission should need to be the owner of its own building, when I imagine that some Government-owned building could be adapted to its purpose.

My second query concerns the considerable expenditure of moneys made by the commission over recent years for the purposes of advertising and promoting lotteries. I was under the impression, when the original Bill passed through the Council, that the Government implied that, although the lottery would be provided in accordance with the wishes of many people in the State, the advertising of lotteries and tickets would be discouraged and, in many circumstances, prohibited. I would be interested to know the reason for the apparent change of policy. I refer to the Chief Secretary's second reading explanation given during the comparative halcyon days of the Walsh Government. The Hon. Mr. Shard, as Chief Secretary, said:

> Subclause (7) of clause 19 is designed to prevent the publication or display of advertisements by or on behalf of persons authorized to sell tickets in a lottery which are intended to induce persons to purchase lottery tickets from them.

Our own modern Nostradamus (Hon. Sir Arthur Rymill), whose prognostications are becoming increasingly accurate, said:

> The Chief Secretary is so reasonable and is obviously in such a reasonable state of mind this afternoon that I am sure he will listen to what I have to say . . . Subclause (8) (*b*) provides that it shall not be an offence for the commission to display a list of names and addresses of prize-winners or agents of the commission ... In other words, the agent can display a list of prize-winners, and there is nothing wrong with that. Indeed, these things make a lottery a success, and they have to be. However, the sting (and this is the clause I should like the Chief Secretary and the Government to consider) comes in the tail of subclause (8) (*d*), which I have paraphrased by underlining certain words. It provides:
>
> > It shall not be an offence . . . (*d*) for any person, who is requested or authorized to do so, to print, exhibit or publish . . . any—I emphasize "any"—notice, placard, handbill, card, writing, sign or advertisement of any lottery.

The Hon. A. J. Shard said, "That might undo all our good intentions," and the Hon. Sir Arthur Rymill said, "Yes". The Hon. A. J. Shard said, "We will look at that."

The remainder of the debate is worth reading, but I will not. give it, as it is so late in the afternoon. Whilst I do not disagree with having a lottery, for those who wish to gamble, I believe that advertisements of a Government-sponsored organization should not be designed and presented in a way to induce an increased investment in gambling, when what this country needs is thrift and more investment in jobs for our own people. I have four examples of advertisements that appeared during the last year or so. The first one is comparatively small. It states:

> Play Cross-Lotto and make your dreams come true!
>
> You could win thousands of dollars in Cross-Lotto—so play every week!
>
> How about dreaming up six numbers based on "13" for this week's entry? Lucky Friday 13!

The advertisement depicts an old couple looking at a piece of paper, and there is a balloon above the man's head showing a jet setting off on a journey. That advertisement appeared in April, 1973. Another advertisement states:

> Six of these crosses in the right place could win you . . . up to $37 000 or even more in Cross-Lotto No. 52.
>
> Two chances for 50 cents and up to eight on every $2.00 coupon. Be in it! Cross-Lotto closes metropolitan agents Wednesday, Head Office 2 p.m. Thursday.
>
> Systems' and weekly entries, too!
>
> Pick up a folder where you play Cross-Lotto, it tells you how to play your pet system and how to work out a weekly entry.

Watch the draw on Penthouse Club, ADS 7, Saturday night.

Then we really get into the big class. On April 26, 1974, an advertisement appeared in the *Advertiser* measuring 25 cm by 38 cm. It is headed with a facsimile of the special $10 ticket and states:

The big one you've been waiting for! The Adelaide Cup Special Lottery for 1974, the one you have been waiting for with the biggest total prize money of any lottery in Australia. For just $10 a ticket you get a chance at 2 022 prizes, including the first prize of $400 000, second prize $60 000, third prize $20 000, and fourth prize of $10 000. Form a syndicate, you and four friends, with $2 each could win $80 000—each! Hurry, tickets are selling fast.

If that is not an inducement, I do not know what it is. There is a huge drawing of a dollar sign with the figures "400 000".

The Hon. T. M. Casey: Did you buy a ticket in that lottery?

The Hon. JESSIE COOPER: No, I did not.

The Hon. T. M. Casey: It did not induce you to buy one?

The Hon. JESSIE COOPER: No, but I am a tough cookie! In the *News* on Monday, August 5, appeared another advertisement, stating:

Tomorrow, the $150 000 Grand National Lottery is away!
And that's not all!
First prize $150 000 . . .
Hold a winning ticket!

And then there was a reproduction of a horseshoe upside down containing the words:

100 000 tickets at $4 each—

and there is a photograph of a horse jumping a fence. Today, the same size advertisement appeared in both the morning and afternoon papers with the words:

Opens tomorrow, $110 000 Show Special Lottery. Hold a winning ticket—

and so it goes on. I believe that every advertisement for a lottery should carry a warning note; in fact, as one honourable member reminded me yesterday, financial authorities warn that gambling is a wealth hazard. He has, I understand, taken out a copyright; I also understand that he is willing for the Lotteries Commission to make use of this warning on all future advertisements and to forgo all the royalties, in the public interest.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

ADJOURNMENT

At 5.14 p.m. the Council adjourned until Tuesday, September 10, at 2.15 p.m.