LEGISLATIVE COUNCIL

Tuesday, June 17, 1975

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

PETITION: POLLUTION

The Hon. C. R. STORY presented a petition signed by 303 residents alleging that a vile odour emanated from the silage fed to dairy cows at the Northfield research centre and praying that the Council request that action be taken to abate the nuisance.

Petition received and read.

QUESTIONS

MEDIBANK

The Hon. R. C. DeGARIS: Following the Prime Minister's claim that the South Australian Treasury would be $28 000 000 better off after the introduction of Medibank, can the Minister of Health explain how that figure was arrived at?

The Hon. D. H. L. BANFIELD: What the Prime Minister said was that there would be a saving to the State of $25 000 000.

The Hon. R. C. DeGaris: He said $28 000 000.

The Hon. D. H. L. BANFIELD: Yes; that is right. One cannot give an exact figure. Because of escalating costs in the next few years, it will be even higher than $28 000 000. At present the public hospitals cost us about $150 000 000 a year to run, less the income from patients' fees, which brings the figure back to about $100 000 000; that is what it would be costing the State under the present scheme. Assuming no income under the new scheme, it would cost $75 000 000 for each Government under Medibank but, because we do not know what the position will be regarding income from patients' fees, we are working on the basis that it will in fact cost about $100 000 000 to run. That means that, instead of paying $75 000 000 under the present set-up, we will have to pay only $50 000 000 (half of the expected cost)—a saving of $25 000 000. That figure will reach $28 000 000 with the next increase in salaries and other costs.

The Hon. R. C. DeGARIS: Did the Minister take into account the increase in cost to the State Treasury of subsidised hospitals and community hospitals that become Medibank hospitals?

The Hon. D. H. L. BANFIELD: Yes, that figure has been allowed for. As I said previously, I do not know how many people will be public patients or private patients. However, we stand by the statement that it will involve a saving of at least $25 000 000.

The Hon. C. M. HILL: Will the Minister say whether the Medibank agreement signed between the Commonwealth and Tasmanian Governments included a condition that the agreement had to be ratified by the Tasmanian Parliament? If it did, why was not a similar condition written into the agreement that has just been signed in South Australia?

The Hon. D. H. L. BANFIELD: I am not aware of the conditions laid down in respect of the Tasmanian agreement.

The Hon. C. M. HILL: Will the Minister undertake to ascertain whether a clause to the effect to which I have referred was included in the Tasmanian agreement?

The Hon, D. H. L. BANFIELD: I shall try to obtain that information for the honourable member.

The Hon. R. C. DeGARIS: In the figure of $25 000 000, how much has the Minister allowed for increased costs in payment of medical services for Medibank beds (because the State will be up for half), and how much is allowed for servicing of beds in subsidised and community hospitals and their running costs (as again the State will be up for half)?

The Hon. D. H. L. BANFIELD: I have not got the separate figures in front of me, but I will obtain them for the honourable member.

DAIRYING AGREEMENT

The Hon. C. R. STORY: Last Tuesday I asked the Minister of Lands a question regarding the dairying agreement. Has he a reply?

The Hon. T. M. CASEY: I have not yet received a reply to the honourable member's question. However, now that he has raised the matter again, I will see what can be done this week.

GAWLER BY-PASS

The Hon. G. J. GILFILLAN: I seek leave to make a statement before asking a question of the Minister of Lands, representing the Minister of Transport.

Leave granted.

The Hon. G. J. GILFILLAN: On the Gawler by-pass, on the approach to Adelaide, there is a bridge, just following which is a road junction. I think the street concerned is called Ryde Street.

The Hon. T. M. Casey: That is north of the bridge?

The Hon. G. J. GILFILLAN: Really, it is on the approach to Adelaide: on the Adelaide side of the bridge. In recent months, the junction to which I have referred has been altered. It is on a curve, or adjacent thereto, and a rumble strip has been placed off-centre on the road, and traffic travelling to Adelaide unexpectedly comes upon this. Because of the restriction, it makes the curve difficult to negotiate at anywhere near the maximum allowable speed. Will the Minister's officers examine the situation, perhaps with the idea of erecting a speed advisory sign on the approach to the junction for people travelling towards Adelaide?

The Hon. T. M. CASEY: I will refer the honourable member's question to my colleague and bring down a reply.

CATTLE INDUSTRY

The Hon. R. A. GEDDES: In view of the reported $25 000 000 or $28 000 000 additional money (the term used by the Prime Minister) that South Australia is to have as a result of Medibank, will the Minister of Agriculture make representations to the Treasurer for some of that money further to assist the tuberculosis and brucellosis eradication campaigns for the cattle industry in this State?

The Hon. B. A. CHATTERTON: I shall certainly give consideration to the honourable member's suggestion, but of course the way in which the $28 000 000 will be spent is a policy decision for the Treasurer and the Cabinet.

AMENDING LEGISLATION

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

Leave granted.

The Hon. C. R. STORY: My question refers to legislation which may be brought before the Parliament. First, is it intended to seek Cabinet approval to introduce a Bill to amend the Noxious Weeds Act in the form of a new Bill for an Act to be entitled the Pest Plants Act; secondly,

is it intended to bring down legislation in the next session to amend the Cattle Compensation Act; thirdly, is it intended in the near future to amend the Bush Fires Act; finally, is attention being paid to the undertaking given at the conference of managers last year or earlier this year regarding rewriting the State Margarine Act?.

The Hon. B. A. CHATTERTON: The proposal for a Pest Plants Act has been accepted in principle by Cabinet. I shall bring down a report for the honourable member on the other matters he has raised.

HOSPITAL SERVICES

The Hon. D. H. L. BANFIELD (Minister of Health) laid on the table an agreement between the Government of Australia and the Government of South Australia in relation to the provision of hospital services (1975).

Ordered that the report be printed.

STUDY TOUR REPORT

The PRESIDENT laid on the table the report by the member for Murray on his oversea study tour during 1974 under arrangements made by the Commonwealth Parliamentary Association (South Australian Branch).

RAILWAYS (TRANSFER AGREEMENT) BILL

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

The Hon. D. H. L. BANFIELD (Chief Secretary): I move:

That this Bill be now read a second time.

It is intended to approve an agreement entered into between this State and the Commonwealth on May 21, 1975, for the transfer to the Commonwealth of the non-metropolitan railways of the State, leaving the State with responsibility for the urban railway system in and around Adelaide. If Parliament approves this transfer the State will receive a number of immediate and long-term financial benefits. These benefits may be considered from three aspects.

In the first place, the Commonwealth Government is to take over the assets of the non-metropolitan system as from July 1, 1975, and is to take over from the same date the outstanding liabilities which correspond to those assets. The liabilities themselves are of three main kinds, namely, part of the State's public debt, special borrowings under rail standardisation arrangements, and current liabilities such as sundry creditors. Also, as from July 1, 1975, the Commonwealth Government is to take responsibility for the annual operating deficits of the non-metropolitan system. The non-metropolitan deficit is estimated at about $32 000 000 in 1974-75 and in the new financial assistance grants arrangements the 1974-75 base for South Australia is to be reduced by a corresponding amount.

Secondly, the Commonwealth Government is to make a grant of $10 000 000 to the State in 1974-75 in respect of land, minerals and other assets transferred and will arrange to build a special addition into the new financial assistance grants formula. That special addition will be achieved by adding a sum of $25 000 000 to the normal 1974-75 base and, accordingly, it will escalate in 1975-76 and future years.

Thirdly, the State is to become a non-claimant State once again as from July 1, 1975. To complete the Grants Commission arrangements, grants aggregating $16 400 000 are to be brought forward in time and paid this year. The $16 400 000 comprises a completion grant of $10 000 000 in respect of . 197.4-75 to be paid without further review by the Grants Commission and $6 400 000 of grants assessed in respect of past years, but held in reserve temporarily by the Grants Commission until required by the State to offset a deficit. The accounts for the year 1973-74 have been examined by the commission and the completion grant for that year will be paid in accordance with the normal procedures; that is to say, early in 1975-76. The special grant of $25 000 000 payable to the State as a claimant State in 1974-75 (that is, the sum of the advance grant of $15 000 000 included in the Budget papers and the $10 000 000 completion grant now to be paid, without review) is to be built into the "base" of the new financial assistance grants formula.

Of the various grants payable, only the $10 000 000 in 1974-75 in respect of land, minerals and other assets is included in the agreement. Appropriate and satisfactory arrangements have been made to secure the other grants. I should mention that an Appropriation Bill including provision of $26 400 000 for grants payable in 1974-75 has been passed by the Australian Parliament. The $26 400 000 comprises $16 400 000 of grants under Grants Commission procedures and $10 000 000 in respect of land, minerals and other assets.

In determining the 1974-75 base for purposes of the new financial assistance grants, three major adjustments have to be made, each of which I have mentioned. The 1974-75 base is to be reduced by about $32 000 000, being the estimate of the 1974-75 non-metropolitan railways deficit. It is to be increased by $25 000 000 in respect of the transfer of land, minerals and other assets and by $25 000 000 in replacement of grants which would otherwise be received as a result of recommendations of the Grants Commission. The net effect will be an addition of about $18 000 000. The $32 000 000 is subject to review to take account of some special problems which arise out of pay-roll tax and debt services.

The financial arrangements I have described probably sound rather complex. Perhaps I could sum up in simple terms what advantages they achieve for the State. The advantages are two. The first one is clear-cut in that we receive in 1974-75 an additional grant of $10 000 000 and in future years an additional grant gradually increasing from a 1974-75 base of $25 000 000. The second one is not so clear-cut. Non-metropolitan railway deficits have been increasing in recent years at a faster rate than have the financial assistance grants. It is probable that the future saving to the State from not having to bear non-metropolitan deficits will be greater than the offset to the financial assistance grants.

As honourable members know, the Government considered the financial advantages of the transfer of the railways to be so marked that we were able to contemplate removal of the petrol franchise tax. This was announced a few days after the Prime Minister and the State Government had reached final agreement on the matters which form the basis of this Bill, the attached agreement and the explanations I have given. I confirm that the consummation of the arrangements will enable the Government to remove the petrol franchise licence fee. As soon as this measure is passed, the Government will proceed with all the arrangements to remove the petrol franchise licence fee and to bring about a fall in the price of petrol.

Before proceeding to a detailed examination of the provisions of the agreement, which appears as a schedule to the Bill, and a similar examination of the clauses of the Bill itself it would appear appropriate to set out, in broad

outline, the substance of the arrangements proposed. Briefly, on the commencement date (that is, July 1, 1975) the non-metropolitan railways, as defined in clause 1 of the agreement, will vest in the Commonwealth. In addition, all rolling stock and other equipment of the South Australian Railways exclusively used for those railways will also pass to the Commonwealth.

During the period following July 1, 1975 (in the agreement referred to as the interim period), the South Australian Railways Commissioner and his staff will operate the railways vested in the Commonwealth at the direction of the Commonwealth authorities. At the same time, of course, they will also operate the metropolitan railways as part of this State's transport system. The interim period will also be utilised to divide between the Commonwealth and the State equipment that has a use common to the systems proposed to be separated. When this division is complete and all other transitional arrangements have been made, a declared day will be fixed jointly by the relevant Commonwealth and State Ministers, and on this day the interim period will terminate and the Commonwealth will assume full operational control of its part of the divided system. This then is, in outline, the means by which the separation and transfer will be accomplished.

I turn now to the substance of the measure. Since, in point of time, the execution of the agreement necessarily preceded the introduction of this measure, it seems appropriate that the agreement should be considered first. Clause 1 of the agreement sets out the definitions used in it, and it is commended to honourable members' particular attention, since consequent on clause 3 (2) of the Bill the definitions are carried forward into the Bill also. The definitions of metropolitan and non-metropolitan railways are of particular importance since, of themselves, they determine the nature and extent of the separation of the systems.

Clause 2 provides that the agreement shall have no force or effect until the necessary enabling legislation has been enacted by the State and Commonwealth Parliaments. So far as this State is concerned, it is sufficient to say that the provisions of this measure, if enacted, fulfil our obligations under this clause so far as it relates to the enactment of legislation. Clause 3 is intended to make clear that the State's right to operate urban passenger railway systems outside the metropolitan area remains unimpaired. Clause 4 expresses the general intention of the parties to carry out and give effect to the agreement.

Clause 5 is a most important clause in that it entitles the Australian National Railways Commission (in the agreement referred to as "the Commission") to: *(a)* all land exclusively used for the purposes of the non-metropolitan railways; *(b)* certain land described in the second schedule, being: (i) portion of the Mile End freight terminal; (ii) the Islington railway workshops; (iii) the Islington goods yard; (iv) the Dry Creek marshalling yard; (v) certain Port Adelaide sidings, and other lands described in the second schedule to the agreement. The clause further provides that minerals shall pass with the land, and the vesting of land shall be unlimited as to depth. The State's interest in certain other land in New South Wales and Victoria is also passed by this clause. In addition, the clause makes consequential provision for the division of and apportionment of all other assets of the South Australian Railways. Finally, the clause makes provision for the Commonwealth to secure appropriate rights over land used in connection with both metropolitan and non-metropolitan railways.

Clause 6 requires the South Australian Railways Commissioner to operate the system vested in the Commonwealth by clause 5, in accordance with the directions of the commission. Clause 7 enjoins the Commonwealth to operate and maintain the system vested in it to a standard at least equal to the prevailing standard, and further obligates the Commonwealth to carry out improvements which are economically desirable to ensure that future standards are equivalent to those prevailing over the rest of Australia. Clause 8 enjoins the Commonwealth to maintain the general standards of rail charges and freight rates at levels at least as favourable to users as they are at present and also to ensure that where relative advantages in relation to such charges to users have been established those advantages shall be preserved in the future. Subclauses (2) and (3) deal with the continuation on the Commonwealth portion of the divided service of passenger concessions at levels at present obtaining. Subclause (4) provides for a general arbitration provision.

Clause 9 grants the State certain rights in relation to the proposed closure of railway lines, and in the reduction of "effectively demanded" services in relation to the system proposed to be transferred to the Commonwealth. An appropriate arbitration provision is provided in subclause (2). Clause 10 gives the State the right to nominate a part-time Commissioner on the Australian National Railways Commission for two consecutive terms each of five years next following July 1, 1975. Clause 11 (1) requires the State authorities, so far as is within their powers, to transfer to the Commission certain land to which the commission is entitled being land not within the State. Subclause (2) in effect provides that the State will make available, free of charge, Crown land within the State required by the Commonwealth for railway extensions. An arbitration provision is included in the clause to ensure that, in all the circumstances, the demands of the Commonwealth are not unreasonable.

Subclause (3) provides for the granting to the Commonwealth of certain rights to take stone and gravel for the construction by the Commonwealth of future railways in the non-metropolitan area. Subclauses (4) and (5) are formal, and subclause (6) ensures that land, stone or gravel vested in the Commonwealth pursuant to subclauses (2) and (3) are used only for railway purposes unless the approval of the relevant State Minister is obtained. Subclause (7) gives the Commonwealth the right of first refusal in respect of certain railway land referred to in the subclause. Subclause (8) is intended to ensure that, should the land vested in the Commonwealth pursuant to the agreement go out of railway use, it is returned to the State free of charge.

Clause 12 confers reciprocal running rights over the two systems to the parties. Clause 13 deals with certain transferred road and railway services and is commended to honourable members' attention. Clause 14 provides for the fixing of the declared date and ensures that the responsibility for fixing this date is a conjoint one, the relevant State and Commonwealth Ministers giving joint notice in the matter. Clause 15 provides that on the declared date all officers and employees of the South Australian Railways will be offered employment with the Australian National Railways. Clause 16 sets out the circumstances and the manner in which the Commonwealth will provide a sufficient number of their employees to run the metropolitan railway system that remains the property of the Sate. This clause is also commended to honourable members' close attention.

Clause 17 ensures that any question of reduction by reason of redundancy in the general level of employment

in railway workshops/will, if necessary, receive the closest consideration by an independent arbitrator. Clause 18 refers to the special $10 000 000 payment in 1974-75 in consideration for land, mineral and other assets. As has been mentioned in the general introduction, this is the only grant referred to in the agreement itself. Clause 19 refers to the taking over by the Australian Government of the long-term debt applicable to the non-metropolitan services. Of the total of about $140 000 000 involved, $124 000 000 is public debt as specified in the sixth schedule, and about $16 000 000 is other debt incurred under rail standardisation and associated arrangements.

Clause 20 provides for the State to receive revenues and bear costs in the interim period and to settle with the commission which will take responsibility for the eventual result. The clause also deals with the apportionment of costs and revenues between metropolitan and non-metropolitan systems. Clause 21 refers to the transfer of investments arising out of superannuation contributions made by State railway employees who will now transfer to the commission. Clause 22 refers to the keeping, auditing and exchange of financial information so that both the Australian and State Governments may satisfy themselves of the reasonableness of charges and financial transfers made between them. Clause 23 sets out in some detail the operation of the arbitration provisions. There are six schedules to the agreement all of which are explained by reference to the appropriate clauses of the agreement, and a reference to the appropriate clause is provided at the head of each schedule.

Clause 1 of the Bill is formal. Clause 2 is a somewhat elaborate commencement provision and is intended to ensure that both the Commonwealth and State measures can come into operation on July 1, 1975. Clause 3 sets out some of the definitions used in the Bill. Definitions of other terms of art used in the Bill will be found in clause 1 of the agreement, and the authority for this is contained in subclause (2). Clause 4, at subclause (1), formally approves of the agreement, at subclause (2) consents in constitutional terms (regarding which see section 51 (xxxiii) of the Australian Constitution) to the acquisition of the railways provided for by the agreement, and at subclause (3) formally authorises the State and State authorities to carry out the agreement.

Clause 5 formally vests the land in the commission, to which it is entitled under the agreement. Clause 6 vests property, other than land, in the commission, being property to which the commission is entitled under the agreement. Clause 7 passes to the commission, on and from the declared date, all rights and obligations of the South Australian Railways Commissioner in respect of the administration, maintenance and operation of the non-metropolitan railways. Honourable members will recall that the declared date is the date on and from which the commission assumes full operational control.

Clause 8 is a most important provision and is part of a linked system of Commonwealth and State legislation intended to deal with some complex questions of constitutional law that arise by reason of the fact that, on acquisition, the railways land acquired becomes a "Commonwealth place" and hence attracts the legislative constraints of section 52 of the Australian Constitution. Honourable members of this Council who were present on the passing of the Commonwealth Places (Administration of Laws) Act, 1970, of this Parliament will no doubt be familiar with the problems and also with the legislative solution to them. Clause 9 provides for the commencement of proceedings during the interim period that, in ordinary circumstances, would be commenced against the commission during that period to be commenced against the South Australian Railways. This is because, although the commission will be the *de jure* owner of the non-metropolitan system, the system will, in fact, be operated by the South Australian Railways Commissioner. This clause, of course, depends on supporting Commonwealth legislation.

Clause 10 is a crucial clause and is intended, on and after the declared date, to refer certain matters to the Commonwealth in terms of section 51 (xxxvii) of the Australian Constitution. The reference proposed is in two parts, one dealing with the operation of the system proposed to be transferred pursuant to the agreement, and the other dealing with future railways constructed with the consent of the State, regarding which see clause 11 of the Bill. Clause 11 provides for a continuing but somewhat limited form of continuing consent by the State to the future construction of railways in the State. Again, this consent is expressed in constitutional terms, see section 51 (xxxiv) of the Australian Constitution. In brief, the consent covers all future construction in the non-metropolitan area and very limited construction in the metropolitan area.

Clause 12 provides for the issue of certain joint certificates by the relevant Commonwealth and State Ministers and is in general self-explanatory. Clause 13 empowers the commission to operate and maintain present and future railways and is in aid of the reference provided for by clause 10 of the Bill. Clause 14 provides for the vacating of all offices within the South Australian Railways on the declared day as a necessary consequence of the employment of the previous holders of those offices in the Australian National Railways.

Clause 15 formally empowers the Trustees of the South Australian Superannuation Fund to give effect to clause 21 of the agreement. At first sight clause 16 (2) provides a wide power of modification by regulation of existing law to the end that the agreement can be carried out. Any exercise of the proposed regulation-making power will, of course, be subject to the usual Parliamentary scrutiny. It is this reservation of power of scrutiny to Parliament, it is suggested, that justifies this particular legislative solution to the problem of possible inconsistency with other laws of the State.

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

APPROPRIATION BILL (No. 1) (1975)

Adjourned debate on second reading.

(Continued from June 12. Page 3357.)

The Hon. R. C. DeGARIS (Leader of the Opposition): The Bill seeks appropriation of $20 550 000. It is the usual Bill that comes before us at this time of the year, except that the sum sought this year is the largest in South Australia's history. Such a large sum coming into the Supplementary Estimates was predictable following the introduction of the Budget in August. Before one can appreciate the Bill, it is necessary for one to examine the Budget documents. As most honourable members would realise, these Supplementary Estimates are an extension of the 1974-75 document. If honourable members cast their minds back they will recall that severe criticisms were levelled at the Budget as presented in this Chamber. It would be not unfair of me to describe this year's Budget as a dishonest document, and I am not given to making such statements unless I know that what I say is accurate.

This was shown to be the possibility last August when the Government changed the second reading explanation for the Budget in the Lower House to the explanation given with the introduction of the Budget in this Chamber. Unfortunately, this matter was not reported by any of the media except one country newspaper, although members in other Parliaments to whom I have spoken in the interim were astounded about this, bearing in mind that the Government presented to Parliament such a misleading document and changed its mind in midstream without altering the actual document.

I said at the time the Budget was introduced that the Budget was only a political document and had no relation to the actual figures it contained. The *News* today reports that the South Australian Premier has said that there will be no further taxes in South Australia. The same thing was said when the Budget was introduced and yet within a few days we had savage tax increases in this State. At the time of the Budget presentation and in reply to the speech I made, the present Minister of Lands, who was then Acting Chief Secretary, gave figures to substantiate the Government document and more or less said that I did not know what I was talking about. Honourable members will recall that I predicted that, on the Budget figures then before us, there was likely to be a deficit in the State in 1974-75 of possibly $40 000 000, but the Government was talking about a deficit of $12 000 000. The second reading explanation relating to the Budget states:

As a result of three factors that have emerged since the Treasurer presented the Budget to the House of Assembly, some further comment is necessary . . . The first factor to emerge is that the further grant of $6 000 000, which, after discussion with the Prime Minister, the Treasurer was very confident would be received, was not forthcoming . . . The Treasurer took the unprecedented step of including in the Revenue Estimates a figure of $6 000 000 under the description "Grants and/or taxes and charges not yet determined". However, as we know now, no provision for such a grant was made in the recent Australian Government Budget . . .

The second factor relates to the calculation of financial assistance grants. Based on information given by the Australian Treasury, the figure included in the Revenue Estimates for the financial assistance grant was based on a 20 per cent escalation in the level of average wages . . . the effect of the revision of the estimated increase in the level of average wages would be to increase the prospective revenue deficit by $4 000 000.

The third factor to emerge is concerned with the revenue results for the two months to the end of August which show a current deficit of $19 000 000 ... It seems certain then that, even if there is a recovery in these areas, the revenue will fall a deal short of estimate. It is inevitable, therefore, that the Government will reed to consider the practicability of increases in taxes and charges beyond those already announced, as well as the imposition of new taxes.

This statement was in the explanation of the Budget to this Council, and it was in addition to the statement made by the Treasurer in introducing the Bill in another place. It is most difficult for anyone to make any assessment of a State Budget but the Government still predicted that there would be a deficit of $12 000 000, although on the Bill and the figures before the House at that time I estimated that the deficit would be nearer $40 000 000. The unprecedented steps that have taken place in connection with the Budget deserve once again severe criticism from this Council. From the second reading explanation of this Bill I quote, as follows:

The Revenue Budget presented to the House on August 29 last forecast a deficit of about $12 000 000 for the year 1974-75. It took into account a possible increase of 20 per cent in the level of average wages and it included the expected receipt of a special grant of $6 000 000 towards South Australia's particular problems. Over the ensuing two or three months the prospect worsened as it became clear that increases in wage and salary rates would be much more costly than the Budget had forecast. Costs of supplies and services had also increased rapidly. Further, the State had not received the special grant of $6 000 000 included in the Budget, and some revenues, mainly stamp duties, showed a late down-turn. At one stage, it seemed that the deficit for the year could be as much as $36 000 000.

This is the exact prediction I made when the Budget was introduced, and I still claim that the Budget presented this year was a dishonest document and that the Government knew, when that Budget was introduced, that it was about $40 000 000 out. We know that the Government introduced tax increases in relation to franchise taxes which returned about $9 000 000. The best estimate of the deficit at the moment is about $27 000 000. The allegation I made during the passage of the Budget must be repeated: this Government is treating the people of this State and the Parliament almost with contempt in regard to the presentation of its financial documents. At present, the annual introduction of Appropriation Bills is no more than a political exercise as far as this Government is concerned, with accuracy in presentation a secondary consideration. But the more disturbing point is that no-one cares any more. No-one cares what the Government does or what it presents to Parliament. The whole turn-around of events in the past few years has been that Parliament is becoming less important, whilst public relations statements made by a Treasurer have much deeper significance for the people. Unless Parliament is prepared to exert more pressure, then the role of Parliament, already under severe strain, will become a mere extension of the executive and the public relations machine attaching to it.

I support the Bill because I have no other option. At the same time, I draw the attention of the Council to the serious matters I raised in the Budget debate which have been substantiated by the imposition of increased taxation and a record amount being sought in the supplementary appropriation. When one looks at the explanation of this supplementary provision, one sees statements such as this:

Education—The original Budget figure for Education Department is likely to be exceeded by $24 000 000.

That is about 30 per cent out in comparison with the figures presented to this Council only a few months ago, and I believe it largely substantiates the challenge that I have made here: that Parliament is being treated contemptuously by this Government concerning financial provisions. As I said, I have no option but to support the Bill and I do so, but I repeat the allegations I made in the previous Budget debate—that the documents coming before this Council and the conclusions reached by the Treasurer have not told the full story to the people of South Australia.

The Hon. M. B. CAMERON (Southern): I, too, have read this Bill, and I think the best description of it is that it is an indictment of the mismanagement of the economy of this country by the Commonwealth Labor Government, aided and abetted by this State Government. For example, the second reading explanation states:

It took into account a possible increase of 20 per cent in the level of average wages.

That statement was about the Revenue Budget presented on August 29 last. However, the explanation continues:

Over the ensuing two or three months the prospect worsened as it became clear that increases in wage and salary rates would be much more costly than the Budget had forecast.

If it was not a 20 per cent increase, what was it? If the working people of Australia need an increase greater than 20 per cent in their wages in order to cope with the inflation that has been brought about by the Commonwealth Government, what is that increase, and why has it been necessary? Certainly, it has not been necessary to this extent previously in any time in history. It appears that in order to solve this problem we will, among other things, have to sell some of our capital, and that is outlined in this Bill. It is incredible that we must go to this extent. What on earth will we have to sell next year if we are in trouble then? Throughout this Bill we read of the increases in prices and in wages and salaries, which increases are greater than expected, and that appears to be the reason for most of the increases contained in this Bill. Where will we end up?

I refer to the sum allocated for the replacement of police vehicles. We find that higher prices charged for new vehicles, coupled with the depressed prices for police vehicles on the used car market, are expected to increase the net cost of vehicle replacement by about $170 000. The State Government can go to the people again to cover this cost, but what about people in the community who are faced with an increase in the price of the average motor vehicle of about $20 a week? Many popular makes of car have been the subject of four price increases already this year. Where do people in the community go to find money to cope with the inflation rate? The way the situation is developing, the average person in the community will not be able to afford to buy a new car. Perhaps that will suit the Government, because then everyone in the community will have to use public transport. However, public transport does not get people everywhere they wish to go. Australian people are used to having some means of private transportation available to them.

The best way to describe the sum allocated for the beef industry assistance programme is to say that it is too little, too late. Indeed, with the present outlook in seasonal conditions in South Australia, this sum is far too little too late. We are facing a situation that we all dreaded: with the present depressed market and lack of markets for stock, the one thing the rural community did not want was a drought, yet it appears that if we do not get rain within three weeks we will have a drought. If that happens, $1 500 000 will not even scratch the surface of the problem. I have been talking with local bank managers in country towns, and every one of those in larger country towns with whom I spoke told me that $1 500 000 (or $3 000 000 as it will be in total) will not even cope with the problems being experienced in one or two towns, let alone the problems being experienced throughout the whole State. This will apply more especially if seasonal conditions do not improve, as may well be the case.

We are told that increases in costs, salaries and prices of goods have increased the costs of the Public Buildings Department. In the private sector, the cost of an average house is increasing at a rate of about $156 a week. How can the average wage earner afford a house in the future? Many people contemplating the purchase of a house are faced with rising interest rates that they will not be able to meet. I understand that a second mortgage now attracts an interest rate of up to 18 per cent, and that is an incredible expenditure in repayments for a person to undertake each year. It relates directly to the inflation rate resulting from the mismanagement of the economy.

Further in the explanation we read that the high rate of unemployment has placed great stress on the Government. Of course it has; but that is an indictment of the Commonwealth Labor Government, aided and abetted by the State Government. What would have been contained in the second reading explanation of this Bill if a Commonwealth Liberal Government had been in power? I can just imagine the vitriolic language that would have been used to describe the problems outlined in this Bill. Of course, we see no criticism here of the Commonwealth Government, because the State Labor Government, in fact, supports what is happening. It must do so, because it has made no criticism whatever in respect of what has happened; it has attached no blame to the people who must be directly responsible. I support the Bill but, like the Hon. Mr. DeGaris, I do so most reluctantly and only because I really have to.

The Hon. C. R. STORY (Midland): My remarks are directed towards three specific matters referred to in the Bill. First, it appears that this Government never learns its lesson. Over the years, it has pushed its luck and I am afraid it has got away with it. I was pleased to read in the *Advertiser* today one article in a series of three, by Stewart Cockburn, on the wine industry. For the first time in a long while I saw something there that somewhat gladdened my heart; that is, the attitude of some of the leaders of the wine industry who have said, albeit belatedly, "We have been silent too long." This is the problem with the whole of industry: it has been silent too long, and it is in good company at present with the South Australian public.

Everyone appears to be mesmerised by the glitter, It can almost be said that this Government is so slippery that one's eyes slide off it. The Government puts the stuff over so well that people just do not realise how they are being taken in. In this morning's article the President of the Wine and Brandy Producers Association of Australia said that the wine industry had been taken for a ride, that it had been silent, and that it had been co-operative. That is what the Prime Minister asked of the States—to be co-operative. I believe industry, especially the wine industry, has been very co-operative, and it is somewhat heartening to hear some people standing up and saying that they are worried.

But this Government never learns. It took the sum of $6 000 000 into account in its budgetary arrangements for this financial year, which sum it said was promised. The Government said that it was promised $6 000 000, but the Commonwealth Government did not honour the promise, as it has not honoured many of its promises. The Commonwealth Government made many definite promises about the wine industry, but it has let down the industry, and especially this State, in a big way.

The Hon. M. B. Cameron: The Treasurer sent a letter.

The Hon. C. R. STORY: Yes.

The Hon. M. B. Cameron: I have a copy of it.

The Hon. C. R. STORY: I have the complete file of the whole of the operations of the wine industry, going back for a long time, including all the letters that have passed between the industry and the Prime Minister. It is a scandal for the Treasurer to make his statement of May 25 and for him to make a song and dance about taking on the Prime Minister and the Commonwealth Treasurer. The Treasurer had in his possession a letter addressed to him on April 25 (exactly one month earlier) which told him and the industry that the Commonwealth Government would not change its policy of redrafting section 31a of

the Commonwealth income tax legislation. It was window-dressing for the Treasurer to talk about his being a friend of the wine industry. Some people received a letter sent to the industry enjoining people to support the Labor Party because it would remove the tax and not reimpose it.

The Hon. M. B. Cameron: It is a false fight.

The Hon. C. R. STORY: It is shadow sparring. It is heartening to see that some people in the industry have woken up. There was also a miscalculation as to the percentage we would take in respect of increases in salaries and wages during the year. As a result, instead of having a deficit of about $12 000 000, the State Government had a deficit of about $36 000 000. What happens in this situation? People who try to keep up appearances always have to sell something. A farmer may sell off his best paddock to ensure that his homestead still looks all right, but he cannot eat the homestead. The whole property is needed if there is to be a viable organisation. The same principle applies to the State. We are starting to sell oft our assets.

The Hon. A. J. Shard: It would cost millions of dollars to run the railways each year.

The Hon. C. R. STORY: One cannot work out in actual money terms exactly what it costs.

The Hon. A. J. Shard: I would not like an asset like that. I like my assets to pay dividends.

The Hon. C. R. STORY: It is funny how the wheel turns a complete circle. I always understood that the Labor Party's policy was that it did not matter how much money the railways lost: the railways provided a service to the public and, therefore, they must be kept at all costs. If the honourable member casts his mind back, he will remember getting purple in the face when people criticised the management of the railways. He has said that the railways are a facility that we must have.

The Hon. A. J. Shard: I would like you to show that to me.

The Hon. C. R. STORY: It is part of the Labor Party's philosophy, and I do not know that one needs to get very steamed up about it. The railways form a very valuable asset, as many people will discover when they do not have control of them, if that time ever comes. It was expected that the petrol tax would return the Government about $12 000 000 and that the tobacco tax would return the Government about $6 000 000, making a total of $18 000 000.

The Hon. M. B. Cameron: Are these the taxes that they are calling blackmail taxes?

The Hon. C. R. STORY: I will come to that. Because there was a short-fall in the petrol tax, only $9 000 000 was collected. I do not wonder at that, because the tax was ill-conceived in the first place. It had to dovetail into a very doubtful judgment of the High Court. An averaging system was used, but this has proved to be a very unsatisfactory method of assessing the amounts of petrol resellers' obligations under the legislation. It is causing some very difficult situations, including bankruptcy in parts of the metropolitan area. If a person reaches the target that he was set and if he has collected sufficient money to pay his franchise tax, he can go on selling; in this case, all of the amounts of 5c collected from the public over and above the amount he has to pay are pure profit for him in his pocket. However, the unfortunate person who is below the amount estimated is paying out of his own pocket and is dropping further behind in his gallonage. The Treasurer inflamed the situation (he dropped a match in the petrol!) by telephoning his punches when he said that he would remove the petrol tax, contingent on the Legislative Council passing the Railways (Transfer Agreement) Bill. The public is not to know, any more than the honourable members of the Legislative Council are to know at present, whether or not that Bill will be passed. The newspapers and the Treasurer have said that it is likely that the petrol tax will be removed, probably before the end of this month.

The Hon. R. C. DeGaris: It has thrown the industry into chaos.

The Hon. C. R. STORY: Yes. People who are collecting additional amounts of 5c that are going into their own pockets can afford to cut the price and attract more customers; this is wonderful for them, because this is sheer profit. What the Treasurer does not tell the public is that this tax in any case will come off in September, because of the amendment made by the Legislative Council to look after this contingency.

The Hon. R. C. DeGaris: We can help the Treasurer if he wants help.

The Hon. C. R. STORY: Quite. In addition to trouble in the petrol industry, the Treasurer has aggravated the situation and he has tried to set the stage for an election, because he is aware of the unpopularity of the Commonwealth Labor Government. It will probably be even more unpopular after Thursday's meeting of Premiers. All this window dressing and shadow sparring is not right. The $1 500 000 provided under the Bill for the beef industry is, of course, a help. That is the South Australian Government's contribution, which will be matched on a $1 for $1 basis by the Commonwealth Government.

The thing that interests me most is the agreement between the Commonwealth and State Governments. I have read the second reading speech of the Commonwealth Minister (Dr. Patterson) as well as the terms of reference that he read out to the Commonwealth Parliament. The terms of reference to which he referred and those which have been introduced by this Government bear absolutely no resemblance whatsoever. What happened between the Minister and his officers from the time the agreement was reached (and, after all, the Minister for the Northern Territory handled this matter for the Commonwealth Minister for Agriculture) has obviously gone wrong.

It was stated that letters would be exchanged in which final details would be given of the amounts worked out between the Commonwealth and State Ministers. Something has not been told to us, or else our Lands Department has transgressed the agreement that was reached because, under the Bill at present before another place, few people indeed will be able to qualify for part of the $1 500 000 that the State Government is contributing. Of course, if people cannot qualify, not nearly as much of the $1 500 000 will be needed, and this could be another real problem for the State. If people cannot qualify, they will not have to contribute their share of the $3 000 000 that is made available to South Australia. I hope that this legislation will be amended, because at present it, too, joins the other group to which I have referred and which I think is a shambles.

The Hon. T. M. Casey: I think you will be quite satisfied on that matter.

The Hon. C. M. STORY: I am grateful to the Minister. There is no doubt that, when we get a new Minister in a portfolio, things begin to happen. There should be more Ministers in the Government with the Minister's integrity; then, we would not have so much of the shadow sparring to which I have referred. I support the Bill.

The Hon. C. M. HILL (Central No. 2): I commend my colleagues, the Hon. Mr. DeGaris and the Hon. Mr. Story, for emphasising the manner in which the Government has been able to juggle its figures in relation to the current year's Budget; it did so at the time it was introduced in August last year, and when it came under review in February this year, and it has done so on this occasion as well. The serious aspect of this matter, from my point of view, is the story which the Government gives out to the people; the releases which the Government makes through its media network give the people of this State a grossly incorrect picture of what is really happening in relation to its financial affairs.

All honourable members know that people have not much time to read the paper and listen to the news services on the radio. They know, too, that people tend to accept the headlines that they read or the initial message that they hear on the radio and, unless that information is true and factual, I think the Government stands condemned for its method of projecting that false picture to the people of South Australia.

For example, regarding this appropriation of $20 500 000, there was a headline in one of the papers dealing with the expected $5 000 000 surplus with which the Government hoped to finish up this year. That is the figure that people carry in their minds and the picture that people accept. It is a picture that the Government has painted as being a true and correct reflection of its financial affairs.

But what was not mentioned, or perhaps only as a minor aside, was that the estimate of the $5 000 000 surplus included $20 000 000 that the Government expected to get in relation to the railways deal. That $20 000 000 comprised $10 000 000 for which the Government is hoping to sell this State's country railways, and another $10 000 000 which was to the credit of South Australia and which was being brought forward as a completion grant, through the Grants Commission, before the end of this financial year.

The Hon. G. J. Gilfillan: I wonder whether the Commonwealth might consider contributing to Trades Hall?

The Hon. C. M. HILL: I do not know whether or not it has been asked to make a contribution towards it. I do not know that Mr. Whitlam would be very pleased to contribute to Trades Hall if its cause was advocated by one of the leading unionists in this State. However, those internal matters are not in my purview for discussion at present. The point I am emphasising is that, through this false projection of a hope for a $5 000 000 surplus this year, the Government has no right whatsoever to bring into these Estimates the figure of $20 000 000 that it hopes to get from the railways deal because, of course, Parliament has not yet ratified that agreement. Therefore, people tend to get a misleading story. The Government hopes that it will get some credit for this, but its falsity and the principle behind it should be pointed out and corrected.

That is not all. There was the other example last August, when the Government forecast a $12 000 000 deficit. Of course, that had already taken into account the sum of $6 000 000 that the Government said it had been promised from Canberra. But what happened in the ultimate? We found in February that the $6 000 000 had not been forthcoming, so that the story, which was projected through the media to the people of South Australia, of an expected $12 000 000 deficit should, on that count alone (and the Hon. Mr. DeGaris has pointed out other reasons), have been a projected $18 000 000 deficit.

Matters such as expected contributions from the Commonwealth Government and agreements that have still to be ratified by this Parliament should not be included in documents of this kind. The Budget and appropriations of the State's money generally should be documents of the highest and most ethical forms. There should be nothing misleading in them whatsoever. However, these documents this year have been riddled with inaccuracies. I therefore emphasise again that I stand with my colleagues who are trying to point out some of these falsities and who have condemned the Government on this kind of financial propaganda.

The second and only other point I want to make regarding the Bill deals with the allocation for public buildings. The Government is seeking a further $1 650 000 to enable the Public Buildings Department to complete this part of its operations. I want to emphasise again, as I have done on several occasions in the past, that I advocate most strongly that more work should be done through this Public Service department by means of the private contract and private tender system. If that change was implemented, more work would be accomplished in this State with the available funds or, alternatively, less funds would be required for the projected work schedule through this department.

I know that the Government has said that a considerable amount of this sum is involved in maintenance work, but in my view maintenance work could be gradually brought under a system of private contract and it would be, I believe, for the betterment of the State generally. As I have raised the question previously, I now ask the Minister whether or not the Government has taken any action during this year to increase the amount of work done by private contract through this department. What are the Government's intentions for the 1975-76 year (or at least for that portion of the year for which the Government's tenure is assured) regarding this matter?

We have the situation of the work being done in Parliament House. From time to time I have questioned the amount of money involved and, to be frank, I am ashamed to ask the question any further because of the astronomical figure becoming involved in the work here in Parliament House. I am not advocating in any way the retrenchment of staff in the department when I say that more work should be done by private contract. I know that, through resignations, transfers, retirements, and other causes, the staffs of organisations will run down in numbers, and while that is occurring a gradual change can be made towards giving work out to private contract; in that way there is no need whatever for retrenchment.

I am certain that, in the construction field, in the general completion of buildings, and so on, and indeed going into the whole phase of maintenance as well, a more efficient system could be implemented than that applying at present. I have no objection to the planning staff of the department (or at least to the planning staff as I understand it to exist at present) remaining. I have no objection to the financial administration of the department remaining as I understand it to be at present or even to the supervising officers remaining as at present.

I am concerned with the position out in the field, where the actual buildings are being constructed and the work is being done. I am convinced that that aspect could improve in efficiency and that far better economic use could be made of the resources available if the department changed over in the manner I have advocated. I support the Bill because one has, as I see it, no alternative, but I place strong emphasis on the points I have made.

Bill read a second time.

In Committee.

Clauses 1 to 7 passed.

Schedule.

The Hon. C. M. HILL: I realise that the Minister would not have had time to look into the matters I raised in the second reading debate, but I ask him to let me have in due course by letter the answers to the questions I raised regarding the line dealing with the Public Buildings Department and in relation to any plans the department might have to carry out more work by private contract.

The Hon. D. H. L. BANFIELD (Chief Secretary): I will get the replies for the honourable member.

Schedule passed.

Title passed.

Bill read a third time and passed.

CIGARETTES (LABELLING) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from June 12. Page 3352.)

The Hon. A. M. WHYTE (Northern): It is not easy to defend any attack on smokers or the materials they use. Evidence has been put forward, although I am not sure that it can be substantiated fully, in which the medical profession links smoking with lung cancer. The defence of such a product is difficult to attempt. I will not do that, but the point is that the Bill itself is an imposition which, it appears to me, will be passed on to the smoker. There is no doubt in my mind that the manufacturing companies will not subscribe to the alterations of signs without seeking a price rise. If that occurs, it means a greater cost to the smoker; the companies are almost certain to be granted such a rise. It also means more money for the State coffers. The Bill should have been termed a money Bill, and then my foreshadowed amendment would have been merely a suggested amendment, because about all the Bill will do will be to gain further revenue for the State.

It is interesting to note that, after the conference of State Health Ministers in 1974 at which such legislation was proposed, the Commonwealth Minister for Health was unsuccessful in obtaining Caucus approval for the introduction of such legislation as an overall measure. One reason, I imagine, was that Caucus would have taken the view that there was no money in it for the Commonwealth Government, because its excise is gained purely on the weight of tobacco sold, at the rate of $16.10 a kilogram. On the other hand, State revenue is a percentage of all sales and the higher the value of the sales the greater the percentage to the State Government.

I dislike the legislation because I think it would have been more in accordance with fact had it stayed as it is. We are going to tax the smoker further. I believe it will make no difference to the number of lung cancers whatever we do. I say quite honestly, and I believe it is factual, that it would not matter if the warning that smoking is a health hazard was eliminated altogether. However, to increase the size required to a quarter of the size of the brand name is a farce. The only thing gained from this exercise is additional revenue for the State's coffers.

The Hon. R. C. DeGaris: What about all the ashtrays that are freely given out?

The Hon. A. M. WHYTE: I understand that all these things could be included within the requirements set out in the Bill, if it is passed in its present form. I believe that there are 600 000 outdoor signs, let alone ashtrays, T-shirts and other items used in the advertising of tobacco. It has been estimated that the cost to each tobacco company will be about $1 250 000 to alter signs to comply with the Bill's requirements. I refer to the amount of money and goods that manufacturing firms handle. The industry pays $500 000 000 in tax to the Commonwealth Government alone. In addition, of course, there are the State taxes. No wonder the Commonwealth Government, which gets $1 000 000 a week from it, did not want to be mixed up with this piece of legislation.

The manufacturers employ about 6 000 people. This figure does not include tobacco growers, tobacconists and others. The salaries of these 6 000 employees amount to a sum exceeding $50 000 000 a year. The industry provides a lucrative trade involving not only the manufacturers but also the Government and charities. I believe that the Rothman Foundation contributes to the Adelaide Festival Centre. Another fact that is not widely broadcast is that the foundation also runs a private insurance scheme covering every surf lifesaver in Australia. I could go on and give further facts and figures reflecting the contributions made to society by the manufacturers. Most of these contributions are not heralded or even mentioned by the media.

Does anyone really know the contributions the manufacturers make? It is obvious that they have large sums to distribute. However, the gesture is good. If this Bill had any other purpose than to obtain greater revenue from smokers (and it was described as an effort to convince people to stop smoking), it would have some merit to it. This Government has created a situation of tension and now seeks to slug the industry that provides people with some relief.

If this legislation was to be enforced without giving those involved sufficient time to comply with the Bill's requirements, it would create a heavy imposition not only on manufacturers but also on smokers. For that reason, when the Bill is dealt with in the Committee stage, I intend to seek the creation of a time limit before the proclamation of this legislation can be undertaken.

The Hon. R. C. DeGaris: What do you mean by "time limit"?

The Hon. A. M. WHYTE: A grace period of two years, I suggest, before this legislation is proclaimed. Had I been able to word the amendment myself, I would have mentioned the fact that there is no need to protect manufacturers in certain situations because they know, and have known (so the Minister claims) since 1974, that they would need to comply with this legislation. There would be no need to make an exemption for any new advertising material, but for that which currently exists and for that which is newly created there should be some exemption, thereby providing at least two years use before it had to be replaced.

The Hon. R. C. DeGaris: What do you think should apply with a firm's name on a building?

The Hon. A. M. WHYTE: Do you mean something like, "Bill Smith, Tobacconist"?

The Hon. R. C. DeGaris: Yes.

The Hon. A. M. WHYTE: Perhaps he is a health hazard as well. This situation would have to be determined after consideration of the legal interpretation. That is something into which I have not gone, and I suppose there is no reason why, although the name of a firm is involved, a sign that warns of the dangers of smoking should not be erected.

The Hon. R. A. Geddes: What about Rothmans Hall at Wayville showgrounds?

The Hon. A. M. WHYTE: Could it be Rothmans Health Hazard Hall? I understand there are many signs throughout the country that could come under question as a point of law, but I do not believe they will be questioned unless it means more money for the State. Finally, I will vote for the second reading of this Bill to allow it to proceed into the Committee stage, where I hope to be successful in amending the Bill to provide that no action will be taken under this legislation for at least two years.

The Hon. M. B. CAMERON (Southern): In his second reading explanation, the Minister of Health said:

> It is accepted by almost all authorities connected with the medical profession that smoking is a serious health hazard, and this measure is one further step to discourage smoking.

I do not believe that this Bill will achieve what the Minister has set out to achieve, because it completely avoids the central issue of what form of advertising should be used. I make clear that I do not blame the tobacco industry for using every means of advertising at its disposal, as it operates in a very competitive industry and it is continually striving for new sales. I assume that firms in the tobacco industry are setting out to sell their brand of cigarette to the smokers of Australia and, therefore, the advertising psychologists set out to prove that a particular brand of cigarette is the best. So, we are incessantly subjected to a barrage of some of the cleverest advertising ever seen, which sets out to prove that, if one has a cigarette hanging out of one's mouth, health, happiness, oversea travel, and sex all fall into one's lap. I believe that a number of these advertisements can be described as false advertising.

Let us look at health. I understand that 10 per cent of all money spent on health results from diseases caused by smoking. First, I shall deal with heart disease. The commonest cause of death is heart disease, and the number of people who suffer coronaries is two times to three times higher in smokers than in non-smokers and, on average, they are 10 years younger. The majority of people having amputations for peripheral vascular disease are smokers or diabetics. This means that the surgeon starts by chopping off the toes and then moves upwards.

The Hon. R. A. Geddes: It is a pity that, with some people, the surgeon does not start the other way.

The Hon. M. B. CAMERON: The number of non-smokers having amputations for peripheral vascular disease is negligible. I understand that 90 per cent of sufferers from chronic bronchitis and emphysema are smokers. Lung cancer is a rare disease, and between 80 and 90 per cent of sufferers from lung cancer are smokers. There is also evidence to support the contention that smoking is involved in cancer of the pancreas and the bladder. So, it can fairly be said that the healthy outdoor life promoted by advertisements as the end result of smoking is false, and proven to be so. It is not possible to deny access to advertising to younger people. Therefore, before children have built up barriers to the psychological warfare bombarding them from the advertising media, they are certainly brainwashed that smoking is essential to enjoy the good things of life. They are inevitably tempted by their peer group at school and, of course, those among their friends who promote smoking as the daredevil thing to do are backed up by the advertising. So, what counter do we provide? On television, one of the dreariest and dullest voices imaginable says, "Smoking is a health hazard." I believe that this is worse than useless, and now there is to be a statement attached to written advertisements. The statement is simply not enough, because it does not say why smoking is a health hazard.

Most younger people, at the age at which they start smoking, do not read advertisements, let alone warnings on the bottom of advertisements. What we need to do is provide strict guidelines for advertising. I do not believe it is necessary to ban advertising altogether; in fact, such an action may prove counter-productive. The connotations of a prohibition have never really worked, particularly with young people. More could be achieved by some form of counter-advertisement, giving the actual facts regarding the results of smoking and making certain that the advertising used by the industry is not false and misleading. I support the Bill, but I make clear that I believe the Government is avoiding the issue—a great temptation, in view of the tax revenue that the Commonwealth Government and the State Government receive from tobacco.

The Hon. C. M. HILL (Central No. 2): I support the Bill, and I strongly support the principle behind it. My worry at this stage of the Bill's passage through this Council relates to matters raised by other honourable members. I shall refer particularly to two of those matters. First, there is undoubtedly a need for a reasonable time to be given to the industry and to all parties involved in the changeover to alter their advertising and publicity to conform to the requirements of the legislation. I am sure that the Government would agree with this point.

Secondly, it seems to me that there is a great need for all parties, including honourable members of this Council, to know what the Government intends to include in the regulations under this legislation. Once a regulation has been gazetted it becomes law, but at a later date it can be disallowed after it has lain on the table of this Council and on the table of another place. It would be a ridiculous situation if regulations were gazetted, if the industry started to alter its advertising and publicity and if, at a later date, the regulations were disallowed; in that event, the parties could be put to great inconvenience and considerable expense. Indeed, there would be utter chaos. I therefore ask the Minister of Health whether he can indicate to the Council his intentions regarding the regulations. In the material that the Minister issued to honourable members, there is a page headed "News release". Clause (iv) of this release states:

> The lettering of the warnings would be of a height which is not less than one-quarter of the maximum dimension of the lettering in which the brand name of the cigarette or the name of the manufacturer, whichever is the larger, is displayed and in any case not less than 3 mm in height.

It has been pointed out to me that, on some existing packets of cigarettes, the first letter of the name is very high in proportion to the balance of the printing; in such a case, the requirement, in practice, could not be complied with. The presentation of the trade name might have to be completely changed if a regulation of that kind was allowed to pass. There is therefore much confusion about the matter.

Consequently, the Minister should tell us what he intends to include in the regulations, so that honourable members can properly assess the matter. If the Bill then passes through the Council, everyone can accept that, in all probability, the future regulations will not be disallowed; that is very important. The Minister may like to comment upon it. Industry representatives tried to see the Minister about some of these matters and were unable to gain an audience with him.

The Hon. D. H. L. Banfield: That's not true, you know. At no time have I knocked anyone back.

The Hon. C. M. HILL: I accept the Minister's explanation but, if there are any other aspects of the matter that

are brought to my notice in future, I reserve the right to mention them at that stage. I hope there will be the greatest possible liaison within political reason (if I can put it that way) between the Minister and the industry so that this changeover, if it is brought about by an Act of Parliament, is brought about in the smoothest possible way and with the least possible inconvenience to the industry.

The Hon. D. H. L. Banfield: We intend to do it that way.

The Hon. C. M. HILL: I am pleased to hear the Minister say that. However, subject to my being satisfied on the two points to which I have referred, before the Bill finally reaches the end of the Committee stage, I support the second reading.

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

COAST PROTECTION ACT AMENDMENT BILL

In Committee.

(Continued from June 12. Page 3354.)

Clause 2—"Powers of acquisition."

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

To strike out all words after "is" first occurring and insert:
repealed and the following section is enacted and inserted in its place:

22. (1) Where the Board is satisfied that it is necessary or expedient to acquire any part of the coast for the purpose of executing works authorised by this Act, the Board may, with the approval of the Minister, acquire land constituting, or forming part of, that part of the coast.

(2) Where the Board is satisfied that it is necessary or expedient to acquire any part of the coast for any other purpose consistent with the functions and duties assigned to, or imposed upon, the Board under this Act, the Board may—

(a) with the approval of the Minister; and

(b) if the land falls within the area of a council, with the approval of that council,

acquire land constituting, or forming part of, that part of the coast.

(3) The Land Acquisition Act, 1969-1972, shall apply in respect of the acquisition of land under this section.

(4) The Board may, with the approval of the Minister—

(a) sell, lease or otherwise dispose of land acquired under this section; or

(b) by agreement with the council for the area in which the land is situated, place the land under the care, control and management of that council.

I do not intend to move the other amendments standing on file in my name. This amendment is not as dramatic as it seems to be. The new clause tidies up the section of the principal Act and is the only substantial part of my amendment. In my second reading speech, I expressed my support for the principle of preserving sections of the coastline for the sake of their aesthetic value. I also said I was concerned to see that an owner whose land was to be compulsorily acquired was protected from abuse of these wide powers. Having listened to the second reading debate, I am satisfied that some power of compulsory acquisition is necessary, even when it is required only for the purpose of protecting the aesthetic value of the coastline. On the other hand, I am not satisfied that this power may not at some time in the future be abused (and in saying that I am not in any way casting aspersions on the board as at present constituted). The principal Act gives the board a power of acquisition, including compulsory acquisition, for the purpose of executing work. This power is preserved in the amendment.

The real purpose of the amendment is to ensure that there shall be a general power of acquisition, but only with approval of the council concerned. It seems to me that in all legislation giving powers of compulsory acquisition there is a measure of compromise. It is necessary, on the one hand, to see that the compulsory acquisition power is wide enough to enable land to be acquired when it is necessary to do so and, on the other hand, to ensure that a man whose land is being acquired is protected against abuse.

As I said in the second reading debate, the role of ownership of private property is a fundamental human right. The protection given in the new clause (and the point of the amendment) is that, in the clause as it stands in the Bill, the board has the power to acquire simply to preserve the aesthetic value of the coastline, that is, for any purpose not inconsistent with the powers and functions of the board under the Act. Under the amendment, this can be done with the approval of the Minister and of the council. That will provide some protection to landowners.

It is not hard to imagine a case of the board having its powers go to its head and, without any real consideration of the landowner, acquire some of the beautiful parts of our coastline that are owned, in freehold, by some subject. The protection that I have tried to give in this amendment is a real one, because the council's approval will have to be obtained and, whereas the board does not have to front up to the people in the area, the council does.

On the other hand, I have no doubt that this power is not as wide as the board would have liked and that my amendment does prune its powers to an extent greater than it would have liked. However, there is still a real power of compulsory acquisition. I urge on honourable members that the amendment leaves real powers where it is necessary to protect the aesthetic value of the coastline, with a real protection being given to the landowner concerned. After all, who more than the local council would know about the aesthetic value of the coastline? Who would be better able to assess whether it was necessary compulsorily to acquire a certain piece of land for that purpose? The purpose of the amendment is therefore to retain the existing power of compulsory acquisition, with or without the approval of the council where it is necessary for the work, but to give, as the amending Bill seeks to give, the additional power for any other purposes not inconsistent with the powers and functions of the board, and in that case only with the council's approval.

The Hon. T. M. CASEY (Minister of Lands): I have listened attentively to the honourable member, and it seems to me that he moved this amendment solely to give councils an opportunity to determine whether or not a piece of coastline is of aesthetic value. The honourable member claims that the only people who know whether a certain parcel of land would be of value—

The Hon. J. C. Burdett: I did not say the only people.

The Hon. T. M. CASEY: The honourable member said that the only people who could genuinely decide whether the land was of aesthetic value were those living in the area, or the council. I do not agree. The members of the board would have a greater knowledge of the coastline than would some of the local residents or local councillors. I have been able to advise Government departments on certain matters because I have lived in the area concerned for so long, but that situation does not necessarily apply to the coastline, which is a separate feature of the South Australian environment. The situation would be that, if the board wanted to purchase land, even though it wanted to pay for it and not charge the council for it,

it must get the permission of the council. That is not right. If the board is convinced that a certain area should be acquired and that it should not charge the council for it, there is no reason why the board should go to the council. The board may consult the council, and perhaps the council would not be interested, even though the board believed that the land concerned would be of immense value to the State.

The Hon. M. B. Cameron: It can get half the money from the council.

The Hon. T. M. CASEY: That is a different matter which is covered in another amendment. If the council wishes certain areas to be acquired it can approach the board. If they agree, the board will purchase the land and the council will pay a certain amount of money. What we are discussing here is the case where the board believes that an area should be acquired for aesthetic purposes, for posterity, or for other reasons. Perhaps the council has no money, but the board need not go to the council, as long as it is willing to pay for the land. There is no reason why the board should not be given full authority to act in this way. The situation in which the council is interested and makes an approach to the board is a different matter. I think the honourable member would be well advised to let the Bill stand as it is; that would be in the interests of all concerned. He is worried about who will pay for the acquisition of land. He said that it was necessary to approach the council regarding any land to be acquired, but that is not necessary in all cases. What happens in areas where there is no council? The board cannot be tied down in the manner contemplated in the amendment, and that is why I cannot accept it. The Hon. Mr. Burdett talks of land acquisition, but the Land Acquisition Act provides that certain things shall be done.

The Hon. R. C. DeGaris: It is not always done, is it?

The Hon. T. M. CASEY: I think it is; it is laid down in the Act. If land is not acquired according to the Act people may take action to rectify the situation. I am sure I do not need to read the relevant sections of the Land Acquisition Act, because all honourable members would know them. Nevertheless, certain steps must be taken, and the owner is protected. Such matters are handled many times in the course of Government administration. Basically, the amendment provides that any land to be acquired by the Coast Protection Board must be referred to the council—

The Hon. J. C. Burdett: No, land for aesthetic purposes.

The Hon. T. M. CASEY: Yes; it must be referred to the council. I say that is tying the hands of the board, because, if the board wishes to buy the land and pay for it, it should not be necessary for it to consult the council. The board has been set up specifically for such purposes, and its members know what land is of aesthetic value to the State. They will not buy land willy-nilly. If the land is in a built-up area the board would refer the matter to the council, but apart from that I do not think the hands of the board should be tied in this way.

The Hon. J. C. BURDETT: It seems that the Minister has missed the point of the amendment, because he has not mentioned the matter I was concerned about. I was not concerned with the council having to pay; I was concerned for the protection of the landowner. I thought I made it clear that, in the case of compulsory acquisition of land, two matters are involved. One is the public good, and I acknowledge that the second reading explanation refers to highways and public utilities, where it is perfectly obvious that the public good demands the acquisition of the land, compulsorily if necessary. However, in other cases it is not so clear and the power this. Bill seeks to give is a power to acquire land (to use the words in the second reading explanation) "to protect the aesthetic value of the coastline" or (to use the words of the Bill) "for purposes not inconsistent with the powers and functions of the board". That is a wide power of acquisition, relating not to public utilities or even to works. It is a broad and general power that does not exist elsewhere and does not exist in similar legislation.

The purpose of the amendment and the point of my concern were to provide a reasonable balance between the powers of acquisition where necessary to protect the coastline (which principle I support), on the one hand, and the rights of the landowner, on the other. I was concerned to protect against abuse, because it is not true that these boards can always be trusted for all time. They may be well constituted at present, but they may not continue to be so in future. I gave some examples of abuse during the second reading debate. Powers of acquisition have been abused in the past, and they will be abused in the future. It seems to me that, in the case of a wide power of acquisition such as this, not for a public utility, not for works, not to do something, but simply to hold some land, the landowner should be protected against abuse. The best possible sort of protection that I could think of was to make the consent of the council necessary, because while the board does not have to front up and face the ratepayer or person whose land is to be acquired in the area, the council does. I commend the amendment to the Committee and hope that it considers the amendment to be a reasonable compromise between the necessary powers of acquisition on the one hand and the protection of private property on the other.

The Hon. T. M. CASEY: The honourable member has now shifted ground. He previously mentioned the Land Acquisition Act and the powers under the Act for acquiring land. When I replied to the honourable member I said that the first complaint he made, and the point that he stressed mostly, was that before land was acquired by the Coast Protection Board, in all cases it had to be referred to the council.

The Hon. J. C. Burdett: For the protection of the owner.

The Hon. T. M. CASEY: Now the honourable member is having a second go and stressing the need for the protection of the owner. For the benefit of all honourable members I point out that the steps taken to acquire land under the Land Acquisition Act are as follows:

(1) Search of title to determine all interested parties. Investigation to determine any unregistered interests.

(2) Service of notice of intention to acquire to all parties and to the Registrar-General of Deeds who places a caveat on title.

(3) Owners have:

(a) 30 days to object or request that acquisition not be proceeded with (acquiring authority has 14 days to advise intentions);

(b) 30 days to request details of requirements for the land (no time limit to supply this information but owners have further 30 days to object after receipt of information).

(4) Notice of acquisition served on all parties after the above steps are completed but not less than 3 months after the service of the notice of intention to acquire.

(5) Notice of acquisition published in *Government Gazette* and Registrar-General of Deeds issues title in name of the acquiring authority. Offer of compensation is made and the amount paid into Master of the Supreme Court within seven days.

I do not know what more protection the honourable member seeks if one has to go to the district council. I would be interested to find out, and I would like to hear about, it because it appears that, if the Government issues an order for the acquisition of land in an area, it does not always have to get the permission of council. Why should it have to get the permission of council to buy land on the coastal strip of this State? The honourable member is saying there are boards on which the people are not so diligent as they might be. I think he is casting aspersions on members of the Coast Protection Board.

The Hon. R. A. Geddes: He said, "In the future".

The Hon. T. M. CASEY: He implied that it was now.

The Hon. R. A. Geddes: His remarks concerned a future board.

The Hon. T. M. CASEY: If that happens in the future, one could always alter the Act. It is not difficult to do that. There can be hypothetical situations that might arise. If I had money and wanted to buy a block of land, I would not go to honourable members of this Council and ask them whether they thought it was a good idea and get their permission for me to buy it. Similarly, why should the board have to go to the council to obtain permission? The other point is that the honourable member thinks that the board has a bottomless pit so far as money is concerned and that it will buy up land willy-nilly throughout the State. That is not so.

The board has its priorities in order. There would be many cases where it would take councils into consideration, but there could come a time when a council was not interested at all. Perhaps it has been sounded out and has said that it is not interested, and the board (as a board set up to do a specific job, having to acquire land for specific purposes) sees no alternative but to buy the land itself. Why should it have to refer back to the council? That is just crazy.

The Hon. C. M. HILL: I will leave the Hon. Mr. Burdett to pursue his argument, which is strong. However, approaching the matter in the same way as the Minister did, I entirely disagree with him in his assumption that there is no need for the board to consult with a council or to obtain council's consent when it wishes to purchase land for aesthetic purposes in a council area.

The Hon. T. M. Casey: I did riot say that; I said they might consult but, if the council is not interested, the board has no alternative.

The Hon. C. M. HILL: The point I am making is the point I made in the second reading debate: I want to ensure that the board must consult with and obtain the consent of local government. The Minister asked, "Why should it?" The simple reason is that it is in a local government area. Such a board with umbrella powers stretching along the whole South Australian coastline has no right to impose its will on local government without first obtaining the agreement of local government. That is why I will support the amendment, as I want to ensure the partnership between local government and the board. It can be a partnership from which both can benefit, but it is not a partnership if there is an overlord, who can impose his will on local government, leaving local government with no say whatever.

I refer to the coastline along the metropolitan area. If this area is developed in conjunction with a master plan, it can bring great credit to the board if the partnership can be established. However, the only way to ensure that this is the case is to write into legislation that the board must obtain council's agreement. Provided that councils can meet their financial commitments, I believe councils will give their consent. Provided that the financial aspect can be worked out, councils will be only too pleased to see plans put in train for beautification, car parking, toilet facilities, garden facilities and the like on the Esplanade. That is the very thing that local government wants and needs, and the board can be the instrument to produce it. The Minister says, "No, you can have all that, but local government is not going to have any say." That is grossly unfair.

The Hon. A. M. WHYTE: If it had not been for the common sense of the then Minister of Lands concerning a similar situation dealt with by this Committee regarding the coastline, we would have seen a much different result about 18 months or two years ago. This amendment does what had to be resolved when there was such an uproar by people with facilities along South Australia's shoreline.

The Hon. M. B. Cameron: Coastal shacks?

The Hon. A. M. WHYTE: Yes, and other amenities. Many South Australian beaches would not be the attraction they now are if it was not for the shackowners who developed them.

The Hon. A. F. Kneebone: Most people could sell their shacks without the council having any say about to whom the shacks were to be sold.

The Hon. A. M. WHYTE: So far as I understand it, most transactions are tied to the council under the transfer of land.

The Hon. A. F. Kneebone: Not all.

The Hon. A. M. WHYTE: There could be some. On Eyre Peninsula most of these shacks are now under the control of local government. They are ratable and any transfer of land comes under the control of local government. This amendment provides the protection that the concerned people in South Australia are seeking. I hope the Committee will support the amendment.

The Hon. M. B. CAMERON: As I understand it, if the board decides that all shacks along the coastline should disappear, as the Bill stands, this could be done merely by issuing notification of acquisition. Local government would have absolutely no say whatever. That is something that I do not think anyone would want. In order to protect these people, we have to provide for consultation with the local council. For that reason, plus others, I support the amendment.

The Hon. J. C. BURDETT: The Minister referred to the procedures under the Land Acquisition Act, but I point out that they do not give adequate protection to the landowner against acquisition: they protect him in that he is given notice and he is informed of procedures for gaining compensation, but there is no other body to which he can appeal and say, "I do not want my land to be acquired." The purpose of my amendment is to give the landowner some protection, in that the approval of the local council would have to be obtained.

The Hon. R. C. DeGARIS: I agree in part with the argument advanced by the Hon. Mr. Burdett, and I agree in part with the argument advanced by the Minister. We must be extremely careful that powers of acquisition are not abused. For the Minister to say that there has. been no abuse of powers of compulsory acquisition is not justified.

The Hon. T. M. Casey: I do not think I said that: you said that.

The Hon. R. C. DeGARIS: The Minister agrees that the Government has abused its powers.

The Hon. T. M. Casey: You said that these powers had been abused, and I said, "That well may be so." That could extend over the last 50 years.

The Hon. R. C. DeGARIS: In the last few months in this State the powers of acquisition have been abused. For example, there was the acquisition of about 30 houses near the Flinders Medical Centre. There was only one buyer in the market, and there was no authority to which these people could turn for protection. A person might have wanted to move to another State and, because there was only one buyer in the market, there was a clear abuse of power. Secondly, there was the case of a gentleman called Elston. In his case the powers of acquisition were threatened only 1½ hours before the auction was to take place—an abuse of power that was borne out by the Ombudsman's report. In connection with the acquisition of land for the Redcliff project, an undertaking was given in this Council that no freehold land was involved. However, a mistake was made (I am not saying that the mistake was made by a Minister in this Council); it may have been an abuse of power or it may not have been an abuse of power but, where ownership of land is concerned, we must be extremely careful that no organisation can abuse these powers and remove rights from people.

I believe that a Bill should be introduced providing that all acquisitions by the Government or any instrumentality should be on just terms. I would hope that the Minister would support such a Bill, in view of what he has just said. If one looks at the question of the public good in connection with aesthetic values, there is a case for the acquisition of land for hospitals or roads. In connection with this Bill, I ask: what part of our coastline from the Western Australian border to the Victorian border does not have some aesthetic value? Actually, it all has aesthetic value. So, the Bill is placing under threat of acquisition every bit of coastline from the Western Australian border to the Victorian border. So, in giving any powers of acquisition, we must build in also every possible protection for the owners of those areas.

Governments and instrumentalities tend to overuse their powers. Where I disagree with the Hon. Mr. Burdett is that I believe the protection he has built in is too restrictive. There may well be areas that should be acquired because of their beauty or because abuse is taking place, but the local council may not be interested. Under the honourable member's amendment, such areas cannot be acquired without the permission of the local council; that is somewhat restrictive. The local council's viewpoint may not necessarily be the viewpoint of the people of this State. I would like to see a widening of the provision so that it refers to a resolution of Parliament, because all the facts can be considered in Parliament. I believe that what the Hon. Mr. Burdett has said is reasonable, in general. At present I am dealing only with the question of protection in connection with acquisition. I wonder whether there could be a compromise whereby, if there is a dispute, the matter can go before this Parliament for final approval.

The Hon. T. M. CASEY: As honourable members are aware, I and my colleague in another place are very anxious to do the best we can for everyone concerned with the matter. I therefore ask that progress be reported.

Progress reported; Committee to sit again.

LOCAL GOVERNMENT ACT AMENDMENT BILL (ADMINISTRATION)

Adjourned debate on second reading.

(Continued from June 12. Page 3354.)

The Hon. M. B. DAWKINS (Midland): I rise to support the second reading of this Bill. In a number of respects, it is quite a good Bill, as several things that local government requires are encompassed within it. On the other hand, it contains two or three matters which, to me, are quite disturbing. There are many clauses that I can support wholeheartedly, although there are others that I cannot support in their present form. When one considers what the Bill aims to correct (and what it fails to correct in some respects), it may not be out of order for one to refer to the situation in which local government has been placed today and which the Bill, in some measure, aims to overcome.

Many of the problems facing local government have been caused by the policies of this Government and its counterpart in Canberra. It must not be overlooked that some of the problems have been caused by escalating costs; it is only fair to indicate that that is the case. However, by no means all the problems facing local government can be placed in this category because, as I have said, many of them have been caused by Government policies.

Local government exists under a State Act. In theory at least, it does not exist at all (except as part of the State) under the Commonwealth set-up. It is part of the machinery of State Government and, as such, should be assisted. Commonwealth assistance should not by-pass the State Government under whose authority local government gets its charter. The Commonwealth attempt to by-pass the State in assisting local government is, in my view, fundamentally wrong, as assistance should come in no small measure from Commonwealth funds, through the State Government.

It is often said that local government should stand on its own feet. Some people seem to have the idea that it should be able to rate the people sufficiently heavily to stand on its own feet. That is quite false. Much taxation money is gained by the Commonwealth and State Government, and in this respect I refer to the petrol tax, road tax, motor registration, and so on. This belongs, in some part at least, to local government, and it should be returned to the councils in much greater measure than it has been over the last four or five years. The fact that it has not been allocated to local government in sufficient quantity is largely the cause of the problems now facing many councils.

In past years, local government funds were raised from various sources in rural areas. I refer to the rates which were gathered locally, the sum of money that came from Commonwealth rural area grants (in the cities, there was the comparable grant for urban areas), and to what were known as State Government grants, which mainly were not a large sum, for maintenance, and finally, and most important, to debit orders, which were considerable grants made for highway construction. I said before, and I say it again, that this money does not belong to the Commonwealth or State Governments, as the present Minister seems to think. It has been collected for the whole country and should be used as such, with local government getting its share. At present, in many cases there are no debit orders to speak of being made available to councils.

It seems to be the policy of this Government, rather than giving debit orders to councils, to create a colossus of the Highways Department instead. It has by no means been unknown for Highways Department engineers in the past to compliment a council on the way in which it has constructed

portions of a new main road or a Commonwealth rural road that has been allocated to it. I believe that, until more Government grants for maintenance and construction are provided to councils, the real cause of much of the trouble will persist. The Government has adopted a short-sighted policy, and honourable members can see this in rural areas regarding those roads that are built not only for the local people but as the through roads that are built for the State and Commonwealth as a whole. We see the evidence of this short-sighted policy by driving over roads that have been reconstructed. Although a road has been built up almost to the point of sealing, often the money has then been cut off. Despite all the money that has been spent on a road, it has been left to deteriorate, rather than be completed, as it should have been. This is an indictment of the policy of the present Minister. I say that with regret, but it is a measure of his inexperience in carrying out a policy along those lines.

The Bill, which, as I said, makes an attempt rather unsuccessfully in my mind to correct some of these troubles, is largely a Committee measure. I do not therefore intend to deal with all its clauses at this stage. I support some of its clauses and will not therefore refer to all of them at present. However, I should like to comment on others which require amendment or rejection. I refer to clause 4, not because of the first amendment it makes (it will be this first amendment that I will support regarding ratable property) but because of the amendment of the definition of "urban farm land". Clause 4 (2) *(d)* provides that the passage "which is more than 0.8 hectare in area and" is to be struck out from the definition of "urban farm land". This means that the old two-acre restriction is to be dispensed with. I believe the Minister has given valid reasons for this.

However, I believe that the present definition of "urban farm land", which honourable members can find on page 18 of the principal Act, is quite unsatisfactory, and I want to make one or two comments about this. In this respect, a council or corporation is in a position to create a special rate for urban farm land at present. Unfortunately, it is no longer completely up to date because of the role of the State in certain areas. I believe the definition leaves much to be desired, as adjoining farm lands can be rated, in my view, very unfairly under the definition as it stands.

It is possible to have two similar neighbouring properties, one of which is workable and from which the farmer derives his income, and another property which is similar and which is also used for rural production, although its owner may have some other income. There is a differential rating in relation to these two properties: one attracts the urban farm land rating whereas the other does not. In the Adelaide Hills some areas fall within watershed zone No. 1 and, in terms of the Government regulations regarding that zone, subdivision of the property is now strictly controlled. I believe the definition does, for some lands that cannot be subdivided under these conditions, place a means test on the income of the ratepayer. I think that is wrong in principle, and the fact that this land cannot be subdivided for housing allotments because of the regulations means that the position does become quite unfair.

The present situation is that, if that land can be subdivided, the owner may well make a fortune out of the subdivision. However, this land must remain in rural production and yet it may not attract the urban farm land rating simply because the owner has some other source of income. It may be difficult to amend this clause. I have made some attempt to do so and I believe it is essential that the definition be amended in order that the situation should be made fairer particularly to the people who now find themselves in zone No. 1.

Clause 5 repeals section 115 of the principal Act, and the new section before honourable members is enacted and inserted in its place. I believe the provision as now passed in another place is much more satisfactory than was the situation when I first heard about the provisions of this Bill some considerable time ago at a local government conference. I have since had further information. I believe that clause 5 contains a reasonable spelling out of the requirement and the entitlement of ratepayers under the provisions of the Act. However, in his second reading explanation the Minister stated:

> Clauses 5, 12, 20, 25, 49, 61 and 62 amend the provisions relating to the voting rights of ratepayers at council elections. In general, the provisions enable the occupiers and the spouse of occupiers to be included in the assessment book and be enrolled for voting at council elections and polls. Section 115 removes multiple voting rights. These amendments have been requested by a number of councils and by the Local Government Women's Association.

I do not know that all councils would be completely in favour of the provisions as they now stand. As the Minister said, occupiers and the spouses of occupiers are to be included in the assessment, particularly the spouses of occupiers, because occupiers were already catered for. It may be all very well for the franchise to be widened to this extent for the election of council members, but I query the situation in relation to polls, which can often be for large loans. For that reason, I doubt the wisdom of the move and so I must oppose clauses 20, 25, and 49.

Some aspects of the Bill concern me a good deal. When we consider widening the franchise, I do not suppose any person in this Chamber could really object to the first qualification I mentioned regarding the spouses of occupiers, because that was done in relation to this Council's franchise some years ago. However, I do query the wisdom of widening the franchise to this extent to include voting at polls for the raising of loans. I see the possibility (and I concede that it is only a possibility at the moment) of a situation where a council could find itself with a majority of non-ratepayers in the council, and I see the removal of any restriction on the maximum rate, combined with these other three matters I have mentioned, as matters which cause considerable concern.

I want to draw the attention of the Council to this situation regarding the Bill, which, as I said earlier, in many other respects is a good Bill and provides some of the things local government needs. However, I am concerned that later in the Bill there are a number of clauses which remove the necessity to have a maximum for the rate which may be declared. Having regard to the fact that some people may have come on to the council who are inexperienced, I think this is most unwise, and I would prefer to see some extension of the maximum rate. I believe that the possibility for a council to raise extra revenue will be extended in itself by the escalation of values which has occurred, but I think there should be some increase in the maximum rate. I do not believe, however, that it is a good move at this time to remove the provision altogether, as the Minister has indicated is done in clauses 19, 21, 22, 23, 24, 26, 27, 29 and 30. Those clauses amend the sections of the principal Act relating to the maximum amount in the dollar which a council may declare as a rate, whether on annual values or on land values.

I would seriously have to consider opposing that situation at present. In relation to clause 28, I asked the Parliamentary Counsel last week to draft an amendment for me and I have since heard by word of mouth that the Minister intends to attend to this matter himself. If he does, I will certainly not deprive him of that pleasure. I have had placed on file an amendment to clause 28. In his second reading explanation, the Minister stated:

Clause 28 repeals the existing section 244a of the Act with regard to rating of urban farm land. The amendments provide for a compulsory remission of rates in respect of urban farm land. The amount of the remission can, however, be recovered if the land ceases to be urban farm land. The provisions in this respect are analogous to the existing provision of the Land Tax Act.

Of course, they are analogous to the provision of the Land Tax Act, except that the provision stipulates exactly double the time at present incorporated in the Land Tax Act. It refers to a period of 10 years; the new section 244a (3) to be enacted provides:

Where land ceases to be urban farm land the amount of rates remitted under this section during the period of 10 years immediately preceding that cessation shall forthwith become due and payable by the ratepayer.

The comparable section in the Land Tax Act refers to a period of five years. I have an amendment on file to that effect. However, if the Minister wishes to amend the Bill in that way I will be happy to forgo my amendment.

I now wish to refer to some matters mentioned in the second reading explanation. Clause 32 amends section 259 by removing the fine of 5 per cent. There has been woolly talk about this (and I do not believe sufficient thought has been given to it), that 5 per cent is too low. Everyone thinks of 5 per cent in relation to bank overdraft rates of about 11 per cent or 12 per cent, whatever the rate may be. These rates are fixed on an annual period, but the 5 per cent fine is based on a six-monthly period or, in some cases, a four-monthly period. If a person pays the fine when it is due or after the fine is due, he pays at the rate of 10 per cent or 15 per cent on an annual basis.

As bank overdrafts are calculated annually, a 12 per cent fate over a four-month period is still at 12 per cent per annum, and the actual fine would be at a rate of 4 per cent, which is less than the present fine. I am aware that the reason for altering this rate is that some people will refrain from paying indefinitely. Having once incurred the 5 per cent fine they will do nothing about it. I think that is wrong. I am not opposed to some increase if the fine continues to remain unpaid, but I believe that the provision in the Bill is unsatisfactory at the present time.

Clauses 33 and 34 refer to hardship. Clause 33 amends section 267a by providing for a council to postpone the payment of any amount due to the council. This power now exists only with regard to rates, and I have no objection to that situation. I am pleased to see that the Minister has left the word "postpone" and has not replaced it with the word "remit". I would be opposed to the remittal of rates in those circumstances. It is important to consider to whom one is being kind. Is it to the people concerned or is it to their heirs and successors? We should not remit rates so that people who follow on can dodge meeting this responsibility.

Clause 34 repeals section 267b and inserts a new section providing for a council to remit the rates in respect of organisations providing homes for persons in necessitous circumstances. I do not quarrel with that, because it is the remittal of rates in respect of an organisation doing a charitable job, and it is not related to rates which someone else should be prepared to pay when the time arises.

Clause 38 amends section 286. It alters the amount a council can expend from petty cash. This was out of date; and it also alters the provisions relating to the amount a council is required to pay by cheque. I believe the second amendment in this clause, as the Minister said, relates to the retention by the council of an advance account and, in fact, removes the requirement for such an account. I can see no objection to that.

Clause 39 permits councils to assist in the establishment of libraries in their area. That might be necessary in some areas. Clause 40 relates to social service and the provision of child care centres. Certainly, at this stage, I will not oppose those centres, which might be necessary in some places. Clause 41 is an interesting one amending section 289 by providing an additional power, which will enable a district council to expend revenue in providing a subsidy to a salary for a veterinary surgeon practising in the district. I am aware that, in areas remote from Adelaide, this might be necessary. The Government is to be commended for acceding to the request from outback areas in this matter.

Clauses 42 and 43 refer to escalation of costs. They vary the amount councils can recover per metre in respect of roadworks and kerbing. The latter clause varies the amount in relation to a footpath. These charges are increased and, however much we may regret that, the increase is necessary in a situation of spiralling inflation. Clause 46 repeals subsection (1) of section 365b and inserts a new subsection. The effect of the new subsection is to authorise a person to erect a letterbox upon any public street or road in the area. This provision is safeguarded by the fact that authorisation is required from the council. Under similar provisions shelters have been constructed for children while awaiting school buses, and it is only right and proper that these practices, having grown up, are to be covered by this legislation.

Clause 51 enables a council to assist an organisation providing community services. This situation is safeguarded as a result of the necessity for council authorisation. A council will be able to support St. John's Ambulance, Civil Defence or Emergency Fire Services in its area. Probably this provision should have been included earlier in legislation; in some councils this assistance is already being given. Clause 59 includes a new Part, which incorporates the substances of clauses 58, 59 and 60. Clause 58 repeals section 666, and clause 60 repeals section 783. The new provisions increase from $200 to $500 the maximum penalty for depositing litter. There are many councils which, as the Minister said, have been enforcing litter laws at a loss, and a new provision is included that the courts shall, on application by a council, order the convicted person to pay the council the costs incurred in cleaning up litter. An evidentiary provision is inserted to facilitate proof of the identity of a person who has unlawfully deposited litter. This provision is the reverse of the principle normally applying in British justice, and it is something that I would normally hesitate to support. However, I support it now because of the situation that I have noticed recently, where there has been a considerable amount of completely irresponsible depositing of rubbish and litter. The situation must be tidied up if anything worth while is to be done, and for this reason I support this clause.

There is a new provision in relation to councils taking charge of motor cars that have been left on country roads. It often happens that vehicles of no value to the council, or to anyone else, are deposited on the road.

Therefore, I support this new provision, which will assist councils considerably in dealing with this problem. Some matters in the Bill cause me concern, particularly the removal of any restriction on the maximum rate in conjunction with the widening of the franchise. In many other respects, the Bill is commendable, and I support the second reading.

The Hon. C. M. HILL (Central No. 2): I, too, support the second reading of the Bill. Like the Hon. Mr. Dawkins, I believe that the Bill is, in the main, a Committee measure. I want to deal with a few of the principles involved in the Bill. The Minister's second reading explanation states:

> The bulk of the amendments proposed by the Bill arise from representations of individual councils, regional local government associations, the Local Government Association and the Local Government Women's Association.

It is a great pity that the present Government and the present Minister have, in effect, downgraded the Local Government Association in this State. There are times when that association may make decisions or take actions that do not meet with the approval of the Minister of Local Government, no matter who he may be, but undoubtedly it is in the best interests of local government and the ratepayers throughout the State if there is one association representing all councils and if recommendations for changes in the principal Act are passed through that association. This does not mean that the association should approve all those recommendations but, if they are all channelled through the association, those that the association approves can be known to members of Parliament and those that the association does not approve can also be known. It is then up to Parliament to decide whether it will accept the recommendations and pass amendments.

We should all try to aim for the day when the Local Government Association represents all councils. Further, we should aim for the day when that association holds the respect of the Minister of Local Government of the day. If those aims can be achieved, it will greatly benefit local government. However, at present we are a long way from that state of affairs. At present there is not as much liaison as I would like to see between the Minister's office and the Local Government Association. Some large and responsible councils, for reasons best known to themselves, are not members of the association; that is a great pity. It behoves the Minister of Local Government to do all he can to achieve the aims to which I have referred.

Clause 9 enables a council to fix one day each year as a holiday for its employees. I do not know from which council this provision stemmed, but I imagine it was the Corporation of the City of Adelaide, which, by tradition, has a council picnic day, when the employees' social club arranges a picnic and kindly invites council members to attend. The principle involved is whether local government should have the right to declare a holiday. Against that, the principle stands that the State has retained that right up to the present. It may be dangerous for this right to be given to local government. Pressure may be brought to bear by council employees throughout the State for a holiday each year.

I am sure that members opposite would agree that at present privileges connected with holidays are fair, and another holiday throughout the State will mean that someone must pay. Once a holiday is given, will we open the floodgates for more councils to grant holidays? One of the problems that arose in connection with the Adelaide City Council's picnic day was that some of the employees did not attend the picnic. Those employees did not have to go to work. I have always thought that that was very unfair to those who played their part in the social activities. I therefore express doubt about the principle of the State handing over this right to local government.

The Hon. Mr. Dawkins referred to the fine of 5 per cent that the Government wishes to change. Following my reading of the Minister's second reading explanation, I imagine that he intends to increase the fine. Figures can be produced that prove that the fine will not be increased by the Minister's plan. At present, when arrears are paid within one month, together with the fine, the rate is equivalent to 60 per cent a year. So, one wonders whether the Minister is achieving what he set out to achieve. This matter should be further considered in Committee. I seek leave to conclude my remarks.

Leave granted; debate adjourned.

BEEF INDUSTRY ASSISTANCE BILL

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

ADJOURNMENT

At 5.21 p.m. the Council adjourned until Wednesday, June 18, at 2.15 p.m.