LEGISLATIVE COUNCIL

Wednesday, October 1, 1975

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

QUESTIONS

BEVERAGE CONTAINER BILL

The Hon. R. C. DeGARlS: Can the Chief Secretary, as Leader of the Government in this Council, say whether the Government has referred to the Development Division or any other division of the Premier's Department the question of the effect of the Beverage Container Bill on industry in South Australia; if the Government has done that, will it table any report made to the Premier on this matter from that division?

The Hon. D. H. L. BANFIELD: I will inquire to see what the position is. If there are any reports available I will see whether the Government intends to table them.

PRISONER'S DEATH

The Hon. C. M. HILL: I seek leave to make a short statement before asking a question of the Chief Secretary.

Leave granted.

The Hon. C. M. HILL: An article, headed "Prisoner may have got drug", in this morning's newspaper deals with a report by the State Coroner concerning an inquiry into the death of a prisoner in the Adelaide Gaol on February 14. The article quotes the State Coroner as saying:

> Presumably on admission to gaol he—

the prisoner—

> would have been searched, and items of a personal or private nature recorded . . . Mr. Ahern said: "I do not wish to be critical of gaol authorities in general or prison officers. However, in accepting these facts I think it serves as a good example of the importance of the strictness of security checks at gaols or other places where people are held in custody." . . . Investigations had shown the dead man was in possession of some form of tablets.

Is the Chief Secretary, under whose administration corrective services come, satisfied that strict security checks are made in gaols? If, as a result of this finding, he has any doubts about the matter, is he taking any action to have the matter further investigated?

The Hon. D. H. L. BANFIELD: When I read the report in this morning's press concerning the State Coroner's findings, I called for a report from my officers. I hope to have that report within a day or two.

COCKCHAFER GRUBS

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

Leave granted.

The Hon. J. R. CORNWALL: During the past week I have been approached by several constituents in the Kangarilla-Meadows area regarding severe damage to pastures caused by cockchafer grubs. Many of these people complain that the problem appears to respond poorly to pesticides that have given good response in past years. Has this matter been brought to the Minister's attention, and can he say whether there is any evidence of resistance developing in the cockchafer grub population to the pesticides normally used for controlling them?

The Hon. B. A. CHATTERTON: It is extremely unlikely that the pasture cockchafer grubs are resistant to chemicals. Normally, it is only when a pesticide is used constantly on a particular pest that the pest develops resistance to the pesticide. While the problem of pasture cockchafer grubs is serious, I point out that the spraying is not done regularly. In these circumstances it is unlikely that the grubs will develop resistance to the pesticide. From my own experience of the pasture cockchafer grub, I think it is more likely that spraying has not been carried out early enough. The grub can be controlled quite well if the spraying is done in the early stages. The Agriculture Department is at the present time doing some important research work in this area to try to help producers evaluate damage being done by the pasture cockchafer, to know whether or not it is economic to spray.

JUNIOR SPORTS COACHING

The Hon. R. A. GEDDES: I seek leave to make a short statement before directing a question to the Minister of Tourism, Recreation and Sport.

Leave granted.

The Hon. R. A. GEDDES: I and other honourable members have received a communication from the Minister pointing out that it is now possible to get a subsidy for junior sports coaching. The question is: what is the definition in the department of "junior"? Can the Minister explain in what age bracket a junior will qualify for a sports subsidy?

The Hon. T. M. CASEY: The whole idea behind the coaching school is to encourage people to take advantage of what we believe is important regarding sporting activities in this State—the engagement of people who are proficient in coaching. It will be extended to the junior schools, probably primary schools, and, outside of primary schools, to little athletics and other people of this nature. It would not apply to people over the age of 19 engaged in sporting activities but it would apply to coaching people under 19 years of age, who would be more of a junior class; but whether they are in this category will be determined by the department itself. I cannot at this stage lay down any strict definition of "juvenile", "junior", or "senior". If anyone feels he has a case for a junior coaching subsidy and the department can help in this field, I ask him to apply along those lines. The whole idea of sending members of Parliament this circular was to tell them what we were doing in the department so that they could advise anyone contacting them, through their electoral office, exactly what we were doing.

The Hon. R. A. Geddes: Have you an electoral office?

The Hon. T. M. CASEY: Yes, in North Terrace. They can contact us in Parliament House.

WORKER PARTICIPATION

The Hon. J. A. CARNIE: I seek leave to make a short statement prior to asking a question of the Chief Secretary as the Leader of the Government in this Council.

Leave granted.

The Hon. J. A. CARNIE: The Government is apparently proceeding with its announced intention of introducing worker participation in industry and currently is having discussions with the Housing Trust to find a workable agreement to bring worker representation on to the board. I assume (indeed, the Premier has said) that it is the intention of the Government ultimately to bring worker participation into private industry. Is it the intention of the Government to apply the same principle (that is, to allow worker participation) to the Public Service (I refer particularly to the Agriculture Department), to allow employees in that department some say in whether they are to be drafted to Monarto?

The Hon. D. H. L. BANFIELD: It is true that the Government is very interested in worker participation. It is also true that, after it is known how it is working in various areas, the Government hopes to encourage worker participation in the field of private enterprise. Worker participation in the Agriculture Department does not come under my jurisdiction.

The Hon. J. A. Carnie: The Public Service does, though. Does the Government have a policy on it?

The Hon. J. A. CARNIE: As the Chief Secretary dodged my question on the Government's policy on worker participation by saying that the Agriculture Department did not come under his jurisdiction, can the Minister of Agriculture say whether he intends to allow worker participation in his department to include consideration of the transfer of the department to Monarto, if Monarto is ever built?

The Hon. B. A. CHATTERTON: Government policy on worker participation and the extent to which it will be carried out in the Government is a matter under the jurisdiction of the Premier. It is the Government's intention that Government departments include some degree of worker participation, but to what extent worker participation will be involved in the decision concerning any relocation of the department, I am not sure. I will refer the honourable member's question to the Premier, and bring down a reply.

The Hon. N. K. FOSTER: In directing a question to the Hon. Mr. Carnie, I preface my question by asking whether the Hon. Mr. Carnie's interest in the Public Service sector, as illustrated by the questions he has just asked, is such that he is aware of the conditions demanded by public servants in relation to any move to Monarto? Is the honourable member aware that, if the Government agreed to all the demands made by the public servants, it would probably not be able to hold any public servants in the city area?

The PRESIDENT: I do not know whether the Hon. Mr. Carnie has any special knowledge on this matter. If not, he is not bound to answer the question.

The Hon. N. K. Foster: He must have, or he would not have asked the question.

The Hon. I. A. CARNIE: No, Sir.

RABBITS

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

Leave granted.

The Hon. C. M. HILL: The rabbit population is increasing to alarming proportions in many areas, and country people are particularly concerned. It is of special interest to them to know the present situation in view of the passing in this place of the Vertebrate Pests Bill last year. During the debate on that Bill the control and eradication of rabbits was canvassed. Can the Minister say, first, whether the Vertebrate Pests Act, 1974, has been proclaimed; secondly, is progress being made with the reconstruction of the Minister's administration to cover the Act and its provisions: finally, does he consider that his department is in a position at the moment to play its proper role in the eradication of the rabbit pest during the approaching season?

The Hon. T. M. CASEY: The Act has been proclaimed. As recently as last week, the Acting Director of Lands visited areas in the Upper South-East and the South-East of the State to ascertain the views of district councils. We have not visited some parts of the North, but of course in some parts of the Far North the rabbit population is always extremely high.

The Hon. C. M. Hill: Peterborough?

The Hon. T. M. CASEY: Farther north; we keep them under control around Peterborough. I can assure the honourable member everything possible is being done to co-ordinate the provisions of the legislation in the interests of primary producers, with the object of eradicating this vermin.

ABATTOIRS

The Hon. R. A. GEDDES: There has been press publicity regarding the intention of the Minister of Agriculture and the Government to give dispensations for the licensing of slaughterhouses in South Australia. Can the Minister say whether a Bill is likely to be introduced to Parliament in the near future?

The Hon. B. A. CHATTERTON: Not at this stage. We still have not finalised the drafting of this legislation, nor have the administration and the details been decided. However, I am consulting the industry and producer bodies so that they have an idea of what is intended, and so that they will have plenty of opportunity to comment on the proposals.

TRANSPORT CORRIDOR

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

Leave granted.

The Hon. C. M. HILL: In this morning's paper there appeared an article dealing with the triangular piece of land bordered by Sturt Road, Main South Road, and Marion Road. The article stated that the proposed Municipal Tramways Trust bus depot could not be situated on that site because a considerable portion of it was needed for a future transport corridor, that 150 properties must go for the new proposed road, and that, according to the M.T.T. report, the plans for the new road were disclosed by the Highways Department. Is the new road the route of the Noarlunga Freeway provided for in the M.A.T.S. plan?

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

CONDEMNED HOUSE

The Hon. A. M. WHYTE: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture, representing the Minister of Housing.

Leave granted.

The Hon. A. M. WHYTE: My attention has been drawn to a house, which has been condemned by the Public Buildings Department and which is owned by a Government department. This house is currently offered for sale by auction, but no notice has been given that the house is condemned. Why has the Government department not advertised the fact that the house is condemned?

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

CROSS ROAD INTERSECTION

The Hon. C. M. HILL: Has the Minister of Lands a reply to the question I asked on September 17 concerning traffic lights at the intersection of Cross Road and Unley Road?

The Hon. T. M. CASEY: There are no current plans to incorporate an additional right-turn phase in the traffic signals at the intersection of Cross Road and Unley Road. The Highways Department will, however, investigate this matter to determine whether an additional phase is needed.

DAIRYING INDUSTRY

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

That a Select Committee of this Council be appointed to inquire into and report upon the effect on the dairy, margarine and other allied industries in South Australia of the amendments made to the Margarine Act, 1939-1973 by the Margarine Act Amendment Act No. 114 of 1974, which was assented to on December 5, 1974.

Most honourable members will recall only too well the long debate that ensued on the Margarine Act Amendment Bill when it passed through the Council last year. Honourable members will also recall the viewpoint that was put strongly by the Hon. Ross Story, and that there was a conference on the matter in which a compromise and a consensus of opinion were reached. Following that amendment, South Australia will be moving before the other States to remove quotas on margarine production. As was stated during the debate on that Bill, in January South Australia will be the only State that has no quotas on margarine manufacture.

When the Government introduced the Margarine Act Amendment Bill, the Hon. Mr. Story advanced strong arguments to show that problems affecting the industry could flow from the unilateral action to be taken in this State. Also, the Industries Assistance Commission is presently investigating matters relating to the dairying and margarine industries, and it is expected to bring down a report on this matter this month. Information that is coming to various honourable members indicates that the recommendations contained in that report could differ from the policy that has already been adopted in this State. Since the passage of the South Australian Bill, several industries, including those associated with dairy production and manufacture and margarine manufacture, as well as other industries allied to them, have expressed concern at the unilateral action intended to be taken in South Australia.

For this reason, I believe an avenue should be provided to enable various opinions to be expressed. A Select Committee could assess the facts and information put before it and report its findings to the Council. In these circumstances, the appointment of a Select Committee seems to be the most effective and efficient means of allowing for this expression of opinion and to enable the facts to be assessed and reported on to the Council.

The Hon. B. A. CHATTERTON secured the adjournment of the debate.

APPROPRIATION BILL (No. 2)

Adjourned debate on second reading.

(Continued from September 30. Page 908.)

The Hon. D. H. LAIDLAW: I wish to deal briefly with four matters in relation to this Bill. They relate, first, to the increased expenditure of the South Australian public sector at a rate far exceeding that of the consumer price index. Secondly, public servants should take their long service leave when it becomes due. Thirdly, some or most of the recommendations of the Committee of Inquiry into the South Australian Public Service should be implemented. Fourthly, it is wrong to use the pay-roll tax as the major item of State taxation, especially during a period of high unemployment.

With regard to the first matter, as honourable members know, the Labor Government has budgeted to spend $1 051 000 000 on the activities of the public sector during 1975-76 and this is 28 per cent, or $230 000 000, more than was spent in the past financial year. But judging by the poor management record of this Government in 1974-75, when its actual expenditure exceeded the Budget by $46 000 000, taxpayers in this State may be excused for being sceptical as to whether the Government can even contain itself to a 28 per cent increase.

Speaking of records, it is worth noting that during the past decade, since a Labor Government came to power in South Australia at the end of the Playford Administration, the consumer price index prepared by the Australian Statistician for the Adelaide area has risen by 91 per cent, whilst the rate for fitters under the Federal Metal Trades Award has risen by 165 per cent. Meanwhile, public expenditure in South Australia increased from $243 000 000 in 1965-66 to $820 000 000 in the year just concluded, a rise of 237 per cent.

What concerns me even more than total public expenditure is the huge increase in actual wages paid in the public sector in South Australia and this is highlighted in the recent report of the Auditor-General. In 1973-74 $373 000 000 was paid out in salaries and wages to permanent public servants and employees on weekly hire, but in the year just concluded this amount increased to $519 000 000, a rise of no less than 38.9 per cent. A small part of it can be attributed to the fact that there are 3 900 more persons on the Government pay-roll, which now numbers 78 400; but, when one realises that during the same period the consumer price index for the Adelaide area rose by 18.9 per cent and the fitter's rate by only 13.2 per cent, then the 38.9 per cent, or $145 000 000, rise in wages seems quite irresponsible. No organisation in the private sector, even the Broken Hill Proprietary Company Limited, could afford this degree of extravagance, and it is clear that our Labor Government will have to say "No" a lot more firmly in the future to the demands of its public servants if we are to retain a competitive economy in South Australia.

The second matter to which I refer concerns an attempt to reduce Government expenditure, and it relates to long service leave. As honourable members know, staff employed under the Public Service Act for a long time have been entitled to 90 days long service leave for each 10 years of service, and under the Act the same rates are extended to weekly wage employees in Government departments. This is virtually the same as employees receive in the private sector working under South Australian State awards. They are entitled to 13 weeks, or 91 days, of long service leave after 10 years of service.

In both instances employees are specifically precluded from accepting money in lieu of leave. In effect the Government, when introducing these provisions, was saying that the purpose of long service was to allow an employee to have some extended holidays during his or her working life.

I am told that officials in the South Australian administration and in the public sector in other States of Australia have been quite lax in policing these long service leave provisions, and that public servants are allowed to accrue their rights to long service leave until retirement.

The employers in the private sector in years past were just as lax in administering long service leave. However, whereas employers in the private sector have to provide for long service leave when preparing their annual accounts and are made to pay tax on leave due but not already taken, the Government just lives from year to year without providing reserves for these contingencies.

In the past when inflation was minimal it was no great burden for employers to make these provisions and pay tax ahead of time but during the past two years with unprecedented inflation the situation has changed. Employers in the private sector can no longer afford to let long service leave accrue; and employees, from the managing director down, are being forced to take long service leave when it becomes due.

The Premier and members of his Administration say repeatedly that there is need to economise. I heartily support this view and there is in this case of long service leave a loophole which, if closed, will save the South Australian Government many millions a year whilst severe inflation prevails. It is surely not unfair to ask public servants to take long service leave when it comes due, now that their counterparts in the private sector are, somewhat belatedly, being asked to do likewise.

I do not know how many of the 78 000 employees of South Australian Government departments have more than 10 years of continuous service; therefore, I cannot calculate accurately the savings that could have been achieved. But assume for example that 25 000 (that is, about one-third) are in that position. During 1973-74, 74 500 public servants were paid $374 000 000 in wages; and this amounted on average to $96.50 a week. If 25 000 public servants had taken long service leave due to them in that period it would have cost the Government $31 000 000 in wages paid to people on leave. In 1974-75, 78 000 public servants were paid $519 000 000 in wages; and this amounted on average to $128 a week. If the same 25 000 public servants had taken long service leave in this past year it would have cost the Government $41 000 000, an increase of $10 000 000 in one year.

In doing these sums I have taken account only of those 25 000 actually entitled to long service leave. In addition, there is a contingent liability for those 50 000 or more employees with less than 10 years service. If the Government decided to administer the long service leave provisions according to the rules, it would have to employ more people to fill the jobs of those on leave, but at a time of high unemployment in South Australia this necessity could well be a blessing in disguise.

The third matter to which I refer is the excellent report by the Committee of Inquiry into the Public Service under Professor Corbett which has recently been published. The Governor in his Speech at the opening of this session said that the Government was evaluating the recommendations and when complete would bring down legislation. I suspect, however, that most of the recommendations could be introduced by administrative edict. I read this report with interest, because I was invited to serve on this committee by the Premier but had to refuse because of other commitments.

I believe that the Government could make dramatic savings by implementing many of these recommendations. As the committee pointed out, South Australia has 46 administrative entities which are formally recognised as departments. Some are very small. They are each responsible to a Minister and each has a permanent head with right of direct access to his Minister. The number of departments in South Australia is considerably larger than in Canberra or other Australian States or in other comparable Governments overseas. One's mind boggles at the thought of the thousands of memos which pass from one of the 46 departments to the others with all the tedium involved in typing, carrying, filing and sometimes even reading them.

The Hon. J. E. Dunford: How long did it take the Chamber of Commerce and Industry to type that?

The Hon. D. H. LAIDLAW: I have not even gone near it.

The Hon. N. K. Foster: There are fewer than 46 departments now.

The Hon. D. H. LAIDLAW: That is good. The Committee of Inquiry recommends that the Government should reduce the number of departments from 46 to 28 or fewer, and I suspect that this would ultimately save tens of millions of dollars each year in terms of human endeavour. It is not necessary to retrench staff to achieve these savings, because there are many areas where the Public Service could serve the community more effectively. This rationalisation would eliminate unnecessary and boring clerical work and allow many middle and lower level staff to concentrate instead on the real reason for their existence—to serve the public.

In the field of public works, the Committee of Inquiry saw an advantage in amalgamating workshops and depots of various works departments where duplication of equipment, material, and service is apparent. This applies particularly in country areas. In one country town there are 12 departments, each now located in different offices whereas, according to the committee, they could be located together with considerable administrative savings.

Departments involved with public works have peaks and troughs in their operations, and the committee recommended that there should be a sharing of manpower—for example, form a common employment pool. I heartily endorse this suggestion. There are many excellent tradesmen in these departments and they should be given a greater challenge in their work.

The fourth matter to which I refer is pay-roll tax, which has become the largest item of State taxation, because in this Budget out of $275 000 000 expected to come from State taxes $126 000 000 is attributable to pay-roll tax. Of all the evil ways that Governments have devised over the years to deprive taxpayers of their savings, pay-roll tax is to my mind the most illogical, especially at a time of high unemployment.

As honourable members may recall, this tax was introduced by the Federal Labor Government in 1941—in the first Chifley Budget—to finance child endowment of all things. The impost was set at 2½ per cent of all wages, with exemptions for small employers where a total pay-roll was less than £100 a week. The object for which the tax was created was, I suspect, soon overlooked and it became just another accepted device for raising revenue by the Commonwealth.

The Hon. T. M. Casey: Don't forget that the Liberals were in power for 23 years.

The Hon. D. H. LAIDLAW: I shall come to that. The 2½ per cent rate continued until a few years ago, when the Australian Government decided to share and then hand over this tax to the States. The rate has quickly been raised to 5 per cent of all pay.

The Hon. N. K. Foster: Are you talking about pay-roll tax? McMahon did that.

The Hon. D. H. LAIDLAW: It started with the Chifley Government. It amazes me that the South Australian Labor Government is prepared to condone this type of head tax, because, in effect, it says: if an employer is sufficiently naive to take on more workers, even at a time when there are over 20 000 unemployed in South Australia, then the Government will penalise the employer for so doing by taxing him at 5 per cent on the extra wages paid.

I further object to this tax because it is inequitable. It hits hardest upon the labour intensive industries but is of little consequence to the capital intensive ones, which are often the more prosperous organisations.

The Hon. N. K. Foster: Some companies have been exempted.

The Hon. D. H. LAIDLAW: Pay-roll tax is also inefficient because it is costly to administer, and an employer, so long as he is operating profitably, can write off the cost of this tax before arriving at an assessable income for tax purposes. However, this is of no benefit to the struggling employer who is operating at a break-even point or at a loss and whom in many cases the Government would like to assist.

In attacking the concept of pay-roll tax, I do not direct my criticism solely at the South Australian Labor Government, because I am aware that Liberal Administrations in other States are prepared to raise revenue by this means. I suggest, however, that it is high time for the South Australian Government to look carefully at the effects of pay-roll tax. If the Government feels compelled to extract a finite amount of tax from employers each year it would be much fairer to impose a higher rate of company or business tax and so tax by the ability to pay and not according to the number of workers one employs. I put forward my views on these matters in the hope that they will be considered by the Labor Government of South Australia.

The Hon. J. C. BURDETT: I rise to support the second reading of this Bill. I must deprecate the action of the Government in cutting short the debate on this Bill in another place. The budget in any organisation is most important, whether it is a household, a trade union, a business, the State Government or the Commonwealth Government. Of course the Commonwealth Budget has still to be debated in the Senate. That may be interesting, too.

The Hon. T. M. Casey: They don't believe in filibustering, either!

The Hon. J. C. BURDETT: There is no question of a filibuster. What happened, according to the press (of course, we are not allowed to refer to *Hansard)*—

The Hon. T. M. Casey: Have you read *Hansard?*

The Hon. J. C. BURDETT: What happened in another place, according to the press, was that legitimate discussion on the Budget was cut short, that the time allowed was much shorter than it had been in previous years.

The Hon. C. M. Hill: Hear, hear!

The Hon. T. M. Casey: That is not right.

The Hon. N. K. Foster: People of your political persuasion were the architects of the guillotine years ago before the Labor Government used it.

The Hon. J. C. BURDETT: I am deprecating the action of this Government, which was disgraceful and unprecedented in any debate, in cutting short a Budget debate, above all others.

The Hon. N. K. Foster: It would not have happened if your mob had been intelligent down there.

The Hon. J. C. BURDETT: It was a disgraceful action. This is the Budget of the South Australian community.

The Hon. T. M. Casey: You are being most uncharitable.

The Hon. J. C. BURDETT: The elected representatives of the South Australian community have a right to debate it, and debate it in full. Therefore, I support the Hon. Mr. Hill when he said that the proper course would be for this Bill to be sent back to another place, there to be debated fully. That is the proper place for a Budget debate.

The Hon. T. M. Casey: He thought he would get some press out of this but the press didn't listen.

The Hon. J. C. BURDETT: I do not propose to make any general comments on this Bill, because it has been adequately dealt with by previous speakers on this side of the Council, but there are one or two matters I propose to refer to. The first one is succession duties. I regard this as a most important matter. With succession duties, as with all items of taxation, I consider that equity between one taxpayer and another and between the taxpayer and the Government is most important. This is what the Hon. Mr. Laidlaw referred to in the matter of pay-roll tax. Succession duty was one of the original forms of capital taxation in South Australia. It originally served not one but two purposes—not only the purpose of raising revenue but also the purpose, playing its part with other forms of capital taxation, of ensuring that large estates, particularly landed estates, did not get too large and were kept under control. I suggest it is no longer necessary to use this form of taxation for that second end. Increasing costs, inflation, the whole taxation structure, and the calamities that have happened to rural markets have ensured that there is no danger of large landed estates in general getting larger. Succession duty now is only a taxation measure: it is only a method of raising revenue.

There are a couple of comments I would make referring to some of the papers that came with the Bill and were referred to in the Minister's second reading speech. First, in the Financial Statement, on page 8, the Treasurer refers to the election undertaking given by the Government including an increased rebate to a surviving spouse in regard to the matrimonial home. It is interesting to note that the cost to revenue of that rebate was a fairly modest $2 000 000 in a full year. I ask the Government to consider being even more generous in the matter of rebate of succession duties to a surviving spouse. Succession duty becomes an impost on a widow. Statistics show there are more widows than widowers; the husband is, generally speaking, older than his wife and the expectation of a woman's life, according to statistics, is longer than that of a man. Statistics show that in the community there are more widows than widowers. So the fact of a considerable amount of succession duty levied on the surviving spouse amounts to a form of discrimination against widows.

It hardly seems necessary to tax the succession to the surviving spouse, because the succession will eventually be passed on to the children, anyway. In the ordinary course of events, if the husband dies first, the widow does not survive him by so very long and what she succeeds to is eventually passed on to the children and then taxed. I am suggesting that, in view of the very modest cost to revenue of this proposed extended rebate, it could be extended further, that there could be still more generous rebates in the succession to a surviving spouse. That would greatly alleviate the burden of this rather cruel tax, without necessarily costing revenue very much.

The Revenue Estimates show that the amount expected to be collected in the current financial year is $16 500 000, a relatively small total of the estimated revenue of the State. I ask the Government to consider the role of capital taxation in the more equalitarian society we now have. In the early days of our society, the major taxes were capital taxes. This was necessary in particular, as I said before, to keep large estates under control, to keep them from accumulating inordinately. This need no longer applies, and I suggest the Government should consider not abolishing but reducing succession duties and making up the deficit by some form of consumer taxation that is more equitable in an equalitarian society.

I next make a few remarks about some small areas of stamp duty. On page 15, at Appendix 10, of the Financial Statement I notice the collection from stamp duty on affidavits or declarations is a modest $838 (that is, duty collected by returns or impressed or from sales of stamps on affidavits or declarations), from agreements it is $3 839 and from adhesive stamps (used for various purposes) it is $570 706. Some of those undoubtedly would have been used for declarations and agreements. However, I should like the Minister to say whether the 20c tax by way of stamp duty on declarations and agreements is really worth while. It does not provide very much revenue and, particularly in these days of inflation and a labour-intensive society, it has great nuisance value to the private as well as to the Government sector.

The main use of declarations and agreements is in various forms of legal transactions. Quite often the agreement, say in a property transaction, is part of a chain of documents presented for stamp duty and registration. Declarations are also used in this type of transaction, and it is easy in the private sector for people preparing documents to overlook the necessity to affix a stamp. In that case it then becomes necessary for the Government department processing the document to make sure that the stamp has been affixed. It could happen that an important transaction is held up for some time because this has been overlooked, it has been detected by a Government department, and the documents are returned for rectification.

Going back some years, the first I can remember of stamp duty on agreements was that is was Is. Now it is 20c, and in this society that does not amount to very much. It seems to me that the cost to the Government and to the private sector of recovering this fairly modest amount is probably not worth the trouble. The fact that the document is stampable is of no benefit to anyone except in the raising of revenue. Because an adhesive stamp is involved the document is not produced in the stamp duties office or to anyone else, so it is not subjected to some kind of Government scrutiny.

In some circumstances there could be an advantage in stamping, in that the document would be subjected to Government scrutiny, but that is not the case here; this is an adhesive stamp bought and attached. It seems to me that this form of duty is of no benefit except to raise revenue for the Government. When one looks at the amount of time spent by various Government departments, not only the stamp duties office, on verifying that documents have been stamped, I very much doubt whether it is worth the time and trouble. In the interests of the Government and of the community, I suggest that this form of duty might be dropped.

In the Estimates of Expenditure, one of the documents accompanying the Bill, on page 49 under the heading "Engineering and Water Supply Department, Murray River locks, proportion of lock-keeping costs in South Australia and other States", the sum of $582 000 was voted in 1974-75, while actual payments were $775 446. In 1975-76 the proposed expenditure is $1 000 000. The two latter figures constitute a considerable increase. There may well be good reasons for this but, if so, what are they? Will the Minister, either in reply or later, say why such an increase has occurred in this proposed expenditure?

The Australian Constitution Convention was mentioned in debate in this Chamber yesterday, quite properly, because State money is spent on it through the Attorney-General's Department. I was privileged to attend the recent plenary session held last week, although I had not attended the earlier ones. In my view, the convention is well worth while, and I suggest to the Government that its efficacy could be extended even further by making the South Australian delegation a Parliamentary committee on a permanent basis, sitting regularly from time to time, perhaps once a fortnight, between plenary sessions.

It could consider reports from the standing committees of the convention and have a prepared view, doing some work, knowing what it was doing and what its views were as a whole, being aware of majority and minority opinions where necessary, when the next plenary session was to be held, and so on. (It is planned that the next plenary session will be held in Hobart late next year.) The method I have outlined was adopted by the Tasmanian delegation, which sat as a body throughout the period between plenary sessions. From the performance of that delegation at the convention, it was obvious to me that the Tasmanian representatives were much better prepared than were the rest of us.

I seriously suggest to the Government that it consider the possibility of constituting the delegates to the convention as a Parliamentary committee so that the important matter of the Australian Constitution can be considered by representatives of this Parliament, not just once a year or whenever the convention happens to meet, but regularly, as the need arises, and particularly as reports come to hand from the standing committees of the convention. I support the second reading.

The Hon. J. A. CARNIE: During my term in the other place, each year when debating the Budget I deplored the fact that the Government would not bring down a balanced Budget, but was intent on deficit financing. This year, we are presented with a balanced Budget, so I suppose I should be pleased, but I shall be even more pleased if I find at the end of the year that indeed the Budget has balanced. It is obvious that this Government is accepting inflation as inevitable, as is the Commonwealth Government. We are not here, of course, to debate the Commonwealth Budget, but the Commonwealth Government also accepts inflation at a rate of more than 20 per cent. In its case, it did not have a balanced Budget, but a deficit of huge proportions. We have here our State Government making no attempt whatever, as far as I can see, to deal with inflation. It has brought down a Budget allowing for an inflation rate of more than 20 per cent. Of the many causes of inflation, there is no doubt whatever that the greatest single cause is Government expenditure.

No attempt has been made by this Government in this Budget to curb Government expenditure in any way. We see an increase of 27 per cent of estimated expenditure over actual expenditure in 1974-75. The Hon. Mr. DeGaris pointed out that in fact it was 36 per cent over the estimated expenditure for 1974-75. I believe that is right, and I also believe his prediction that increases this year

will mean a 36 per cent increase again. On what is before us now, on the actual expenditure last year compared with the estimated expenditure for the coming year, even allowing for a 20 per cent inflation rate (which is tragic), the Government should confine its increases in spending to that figure. This would help keep inflation to its present level, but the Government plans to spend at a rate 7 per cent or 8 per cent above this. That can do nothing but increase the rate of inflation. At a time of economic crisis such as we are now in, I believe that to be criminal.

The Government will probably ask what a State can do, saying that the control of the economy is a Commonwealth matter. The Commonwealth Government will say that it is a matter beyond its control, and that it is a world-wide trend. Indeed, inflation is a world-wide trend, but the rate varies from country to country, and it varies from State to State. There is no need for Australia to be at the top, or near the top, of the list and there is no need for this State to be at the top of the list, either.

There is no need to use world-wide inflation as an excuse for Australia's inflation. Australian Governments, both Commonwealth and State, can do something about the situation by controlling spending in their own departments. They can control the rate of growth of the Public Service, and they can ease taxation to stimulate the confidence of the private sector, and at least slow the escalating rate of unemployment. Other speakers have referred to State taxation and the savage increases in this area that we have seen in the last few years. The revenue from State taxation has increased threefold in the last three years. Who pays these taxes? The bulk of State taxes are paid by a comparatively small number of taxpayers because, with one exception, these taxes are capital taxes.

The Hon. R. C. DeGaris: These taxpayers will have less and less say.

The Hon. J. A. CARNIE: True, but I want to make clear that I do not support the scheme advanced by the Commonwealth Opposition advocating the return of income-taxing powers to the States. I believe that this would be a disastrous scheme for the smaller States. We would have to impose higher taxes than would be imposed in the larger States which, in turn, would result in the larger States becoming even larger and the smaller States becoming even smaller. The Victorian and New South Wales Premiers supported the concept—I bet they did! The Queensland Premier also supported it, but I notice that the Queensland Treasurer did not support it. I should now like to look at the main sources of taxation in South Australia. One quickly sees that such taxes are paid mainly by people on the land and in business.

The Hon. R. C. DeGaris: Their political voice will decline.

The Hon. J. A. CARNIE: But the number of people paying the tax will not vary, whether they are in the city or in the country. My point is that people on the land and in business pay the bulk of such taxes. Regarding land tax, the Government is budgeting for a 50 per cent increase in receipts over last year's receipts. Land tax is based purely on the value of property held. The savage increases in the value of rural land are responsible for much of this increase. It is obvious that the Hon. Mr. Dunford, for example, is a long way removed from the rural situation. The valuations on which land tax is paid bear no relationship at this time to the value of the land. The rural situation is such that one cannot give a farm away in many districts—

Members interjecting:

The Hon. J. A. CARNIE: —yet this tax must be paid whether or not the property shows a profit. The same situation applies to small businesses—

Members interjecting:

The PRESIDENT: Order!

The Hon. J. A. CARNIE: Many small businesses must go to the wall this year, and many more are barely making wages, yet value taxes continue to increase. Is this Government determined to see the end of small businesses in South Australia? Another tax which is hitting small businesses is pay-roll tax. The Government has budgeted for a 24 per cent increase in receipts from this tax, and this matter was mentioned at some length by the Hon. Mr. Laidlaw. I believe that it is important enough to make further mention of it.

I should like to refer briefly to the history of this tax as it applies in the States. There had been a constant and growing pressure for the States to have their own growth tax, and in 1971 the Commonwealth Liberal Government gave pay-roll tax to the States. "Growth tax" was the right name for it: in 1971-72, receipts from pay-roll tax amounted to $23 500 000, which was 25.4 per cent of total taxation, while the estimates of receipts that we are now considering allow for $126 000 000, which is 46 per cent of total taxation. This is a staggering increase, which again falls on a small section of the population—the section already hardest hit.

I do not want to bore the Council with long sets of figures, but I ask members to consider the following facts. The last time the exemption of pay-roll tax was altered was in 1957, when the exemption figure was increased to the present $20 800. The first act of the States in 1971, when they obtained control of this tax, was to raise it from 21 per cent to 31 per cent, and in 1974 it was raised to 5 per cent. This, coupled with steadily and (in recent years) rapidly rising wages means that, whereas in 1957 an employer needed to employ 10 people on the average wage before he paid pay-roll tax, he now needs to employ only 2.8 people. Even a doubling of the exemption figure which has been announced by the Premier means that an employer will still need only 5.6 employees on the average wage in order to pay pay-roll tax.

The Government has admitted that it expects wages to increase by about 21 per cent in the coming year and, by the end of this financial year, the number of employees will have dropped to about 4 5. Therefore, it is easy to see why receipts from this tax have increased so much. The last tax to which I wish to refer is succession duties, which was dealt with fully by the Hon. Mr. Burdett.

The Hon. R. C. DeGaris: Where would you move for taxation at the State level?

The Hon. I. A. CARNIE: I will come to that. The problem associated with this hated tax, which is probably the subject of more petitions to this Parliament than any other tax, is well known to all members. In 1973, 50 per cent of State succession duties was paid by farmers, who comprised only 6 per cent of the taxpayers. I am sure that the same position still applies, although I do not have the most recent figures. However, if ever there was a discriminating tax, it is succession duties. The Treasurer has announced some relief in this area, which they say will cost the State $1 000 000 this year, or $2 000 000 in a full year. In examining the Estimates of Receipts, I find that he has allowed for a $900 000 increase this year. That shows how much relief the Government intends to provide in this matter!

If the private sector is to recover from the severe economic recession in order to play its part in reducing unemployment, relief must be given at both State and Commonwealth level. Finally, I refer briefly to expenditure in Government departments, especially in the Premier's Department. In 1969-70, when Steele Hall was Premier, the Premier's Department required $415 000. This year that sum has increased to $2 900 000 and, with expected increases, this sum is sure to exceed $3 000 000, which is almost an eightfold increase in six years.

The Hon. F. T. Blevins: There are more divisions involved.

The Hon. J. A. CARNIE: The Hon. Mr. Blevins is getting to the point: there are more divisions involved in the Premier's Department. The Estimates of Expenditure contain three pages of the divisions, which certainly did not previously exist. Nearly $60 000 is estimated for arts development.

The Hon. Anne Levy: Are you against that?

The Hon. J. A. CARNIE: No, I am not against that. Nearly $500 000 is allocated to the Development Division. What have we seen from that division? Little, and I challenge members opposite to name things which have been brought forward by the division.

The Hon. M. B. Cameron: Redcliffs and Monarto!

The Hon. J. A. CARNIE: True, but besides those two projects what is there? I cannot quarrel with the estimated allocation to the Ombudsman. There is a large allocation for immigration, but this is largely a Commonwealth Government matter. About $80 000 is allocated to the Unit for Industrial Democracy this year. This unit was established to study worker participation. I believe—

The Hon. F. T. Blevins: You seem to agree with almost everything.

The Hon. J. A. CARNIE: To a point, but I would like to see value for the money that we spend. Obviously, worker participation will come, having been accepted in more and more Western countries. I believe in worker participation, but not in worker control, which is obviously what the Government plans to have. Regarding questions that the Hon. Mr. Foster asked, if I knew the answers to them, I would not have needed to seek information from the Government.

I refer now to the proposed allocation of $962 122 for salaries, wages and related payments for the Premier's Department, and particularly to the line, "Policy Division, Administrative, Committee Secretariat, Economic Intelligence Unit, publicity and clerical staff", the proposed allocation for which is $831 200. I believe this involves not only the Premier's office but also a political machine that has been set up in the Premier's Department at the taxpayers' expense. I object to taxpayers' money being used for this purpose.

In conclusion, I repeat that, for the first time in my memory, the Labor Government has brought down a balanced Budget. It started the year with healthy reserves, and it was the best opportunity to give relief to farmers and small businessmen by equalising taxation and helping to stimulate the economy and, consequently, employment in this State. It could have cut Government spending, which must have helped, if only in a small way, to curb inflation. I believe the Budget was a missed opportunity to give a lead to other States in this field. I support the second reading.

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

ELECTORAL ACT AMENDMENT BILL (OPTIONAL PREFERENCES)

Second reading.

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

That this Bill be now read a second time.

This Bill, which is in the same form as a measure that failed to become law in the last session of the previous Parliament, proposes the adoption of a voting procedure for House of Assembly elections that may be referred to as "optional preference voting". Honourable members are no doubt aware that following the enactment of the Constitution and Electoral Acts Amendment Act, 1973, this system of voting applies in Legislative Council elections.

In summary, the system provides that, while an elector is enjoined to mark his preferences on his ballot-paper, his ballot-paper will not be informal if only one preference is marked on it. In addition, the Bill provides that the procedure for making a vote by declaration, where the elector's name does not appear on the certified list of electors for the polling place, shall apply to Legislative Council electors in addition to House of Assembly electors. This change is now desirable, as for practical purposes the same list of electors now applies to both House of Assembly and Legislative Council electors. I seek leave to have the details of the clauses of the Bill incorporated in *Hansard* without my reading them.

Leave granted.

EXPLANATION OF CLAUSES

Clause 1 is formal. Clause 2 amends section 110a of the principal Act by applying that section to electors claiming to vote at a Legislative Council election whose names do not appear on the certified list of electors for that polling place, but who make a declaration in the prescribed form before the presiding officer at the polling place. This section at present applies only to House of Assembly electors. This clause also amends section 110a to remove the possibility of an elector's being disfranchised through his ignorance of his correct subdivision when enrolling.

Clause 3 amends section 123 of the principal Act by providing that in an election for a district for which one candidate only is required, that is, a House of Assembly by-election, the absence of an indication of preferences other than a first preference will not render the ballot-paper informal. Clause 4 amends section 125 of the principal Act, which is the provision dealing with the scrutiny. The effect of this amendment is to ensure that, even if a substantial proportion of the votes do not indicate a preference other than a first preference, a result of the election can be obtained. The need for the proposed amendment will, of course, arise only when the scrutiny goes to preferences. In summary, if only two candidates remain unexcluded at that time, the candidate with the greater number of votes will be elected.

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

PLANNING AND DEVELOPMENT ACT AMENDMENT BILL (REGULATIONS)

Adjourned debate on second reading.

(Continued from September 30. Page 910.)

The Hon. J. C. BURDETT: I support the second reading of this Bill. As was stated in the Minister's second reading explanation, the Bill arose originally out of the proposed Myer Queenstown complex. So, it arose initially out of the shocking action of the Government at

that time in its effort to oppose the Queenstown development. Honourable members will recall the retrospective Bill which was introduced during the last Parliament and the regulations that were hastily made and published in an extraordinary issue of the *Government Gazette.*

The history of this incident is related in the judgment of Mr. Justice Wells in the case of *Myer Queenstown Garden Plaza Proprietary Limited and Myer Shopping Centres Proprietary Limited* v. *the Corporation of the City of Port Adelaide and Her Majesty's Attorney-General in and for the State of South Australia.* When I first saw the Bill, my reaction was that it was restrospective legislation, that it was bad, and I would not have a bar of it. Most honourable members have, generally speaking, been opposed to retrospective legislation.

The Hon. N. K. Foster: It should have more retrospectivity, actually, if you look at the mess you fellows put it in years ago. Carry on.

The Hon. J. C. BURDETT: I will carry on. Generally speaking, honourable members on both sides of this Council have in the past (and I hope this will continue in future) had a horror of legislation that has had a retrospective or retroactive effect.

The Hon. N. K. Foster: You don't say that about the progressive industrial legislation, do you?

The Hon. J. C. BURDETT: I do not know that the honourable member is talking about retrospective legislation, anyway. With retrospective legislation, be it in the industrial field or in any other field, it is impossible for an individual, when he acts, to know what the law is. Our citizens are entitled to expect that, when they do a certain thing and obey the law on the Statute Book at that time, that is all they must worry about. They are entitled to expect that Parliament will not subsequently change the law so that it has a retrospective effect (if it is to the future, that is all right), declaring an act that they have done previously in good faith retrospectively to be illegal. Because this was retrospective legislation, I wrung my hands in horror.

The Hon. N. K. Foster: If you could have retrospectivity to stop the plunder of the land between Monarto and the Adelaide Hills, wouldn't you be in it?

The Hon. J. C. BURDETT: I intend to continue speaking to the Bill, which is more than the Hon. Mr. Foster is doing.

The Hon. N. K. Foster: I am just giving you an example. Can't you see that?

The Hon. J. C. BURDETT: I can. This Bill was opposed in another place on the grounds of retrospectivity. This is an Upper House, which performs the useful function of affording the chance to have a second look at legislation, to spend more time on it, and to take the opportunity carefully to examine all Bills coming before it. I did take the time and opportunity that members in another place may not have had carefully to examine this Bill. Because I always have an open mind and try to help the Government, if that is at all possible, I have come to the conclusion after my careful examination of the Bill that it is good legislation. It does no harm, and seeks to make clear that certain actions that people have taken in good faith are given the support of the law.

There are two matters to which His Honour Mr. Justice Wells referred in his judgment and which are important regarding this Bill. The first relates to planning regulations. The point taken in the judgment was that the planning regulations in question did not follow precisely the recommendations made by the Port Adelaide council. The Planning and Development Act refers to regulations recommended by the council. The question arose as to whether these regulations really had been recommended by the council because the actual regulations departed from the council's recommendations in some important particulars, and His Honour Mr. Justice Wells held in the case of those regulations the discrepancy between the recommendations by the council and the regulations which were passed by Executive Council, by the Governor, was such that the regulations were invalid. The only power to pass such regulations was to pass recommended regulations and he said that these regulations could not be said to be such. There was such a discrepancy between what the council did actually recommend and what the regulations said that he held that the regulations were invalid and it is said—

The Hon. N. K. Foster: You are not doing His Honour justice. The way you are putting that, you are putting it very badly for a lawyer.

The Hon. J. C. BURDETT: If you would like to read the judgment it is in the Parliamentary Library. It is only 135 pages so you will be able to read it before you go to bed tonight!

The Hon. R. C. DeGaris: He will probably have to get someone to read it for him.

The Hon. J. C. BURDETT: In any event, the Minister in his second reading speech pointed out that not only in the case of these regulations of the Port Adelaide council, but in the case of regulations made in respect of many other council areas, it has been a common practice for considerable editing to be done in the drafting of the regulations so that in very many other cases also the regulations do not follow exactly the recommendations of the council and, of course, these other regulations have not been before the court. It does not follow that all of them are invalid, but there is a possibility, and a probability, I guess, that some of them are invalid in the same way as these particular regulations were, for the same reason—that the recommendations of the council were not followed exactly in the regulations.

The point made by the Minister in his second reading speech is that, for some years, councils and the planning authority and individual ratepayers have been acting in good faith on these regulations, which may be invalid, and the first thing, therefore, that this Bill is seeking to do is to put beyond doubt that such regulations are retrospectively to have the force of law so that, where people had acted in good faith, both councils and ratepayers, they would abide by what they had done in good faith at that time.

The second point which His Honour Mr. Justice Wells raised in this case, and which had some bearing on this Bill, is that in some cases we find that interim development control has been imposed in a council area and planning regulations under the Planning and Development Act have also been passed; this applied in the Queenstown case. His Honour held that in such a case the planning regulations were invalid and had no effect until interim development control had expired. He said in his judgment at page 120:

> In my opinion it follows inexorably from this conclusion that planning regulations cannot be brought into force while interim development control remains unrevoked.

There have been many other cases where the same practice has been followed, that there has been interim development control and planning regulations have been introduced.

Now, whereas in the previous matter that I mentioned, of the discrepancy between regulations and recommendations, it is not certain that all such regulations would be invalid, it depends on the particular regulations whether they follow the recommendations or not. But in the second matter it follows from His Honour's judgment that, in all cases where there was in force in a particular area interim area development control and where planning regulations were introduced, the planning regulations had no effect until interim development control was either revoked or had expired. Here again the point of this Bill is to enact retrospectively that what the councils and individuals have done in good faith, supposing those planning regulations to be valid, does have the force of law. For those reasons I support the second reading.

The Hon. M. B. CAMERON secured the adjournment of the debate.

RETURNED SERVICEMEN'S BADGES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 30. Page 896.)

The Hon. R. A. GEDDES: I support the second reading of the Bill, which is a very short Bill. This is one of those Bills that Mr. Ludovici has drafted in the course of his consolidation of the Acts of Parliament, and I am told from a reliable source that he was hopeful that the first volume of his work would be available early in 1976, which I am sure all members who are concerned with the consolidation of Acts of Parliament will be interested to know.

This Bill is a very short Bill dealing with the fact that the R.S.L., as it is affectionately known, in official circles was the Returned Sailors', Soldiers' and Airmen's Imperial League of Australia (South Australian Branch) Incorporated. It has changed its name and is now officially known as the Returned Services' League (South Australian Branch) Incorporated. The name originated from the First World War when there were principally servicemen involved, and the nurses of that war were apparently not considered. But in the Second World War and the subsequent wars far greater use of womanpower was made in the Air Force and the Navy and the Army. So the R.S.L. changed its name and used the word "Services" in its official title.

This Bill deals in particular with the Returned Servicemen's (or Services) Badges Act. Back in 1952 it was necessary to bring in an Act so that people would be fined £10 if they were found wearing a badge that looked like the R.S.L. badge, or were wearing an R.S.L. badge that was not theirs legally. The badge is the pride of the R.S.L., and that was responsible for the introduction of the original legislation. One interesting point is that no reference is made in this Bill to any alteration in the penalties. I would like to ask the Minister, is it automatic that, when Acts are redrawn, the $ sign is automatically inserted and the amount in pounds changed to the equivalent in dollars?

The Hon. D. H. L. Banfield: It is covered by the Decimal Currency Act.

The Hon. R. A. GEDDES: I support the second reading of the Bill.

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

LICENSING ACT AMENDMENT (R.S.L.) BILL

Adjourned debate on second reading.

(Continued from September 30. Page 897.)

The Hon. R. A. GEDDES: Because of the change in the name of the R.S.L. to the Returned Services League, the former Parliamentary Counsel (Mr. Ludovici) believes that an alteration to the principal Act is necessary. The only criticism I have of the Bill is that the name in the new legislation will be extremely long. At present in the principal Act the organisation is referred to as the Returned Sailors', Soldiers' and Airmen's Imperial League of Australia (South Australian Branch) Club, but it will in future be referred to as the "league formerly known as the Returned Sailors', Soldiers' and Airmen's Imperial League of Australia (South Australian Branch) Incorporated". So, the words "league formerly known as the" will be added in every instance where the name is used in the principal Act. It would appear to be far easier to strike out words rather than add words. I support the second reading of the Bill.

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

STATE BANK ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 30. Page 897.)

The Hon. C. M. HILL: I support the Bill, which up-dates existing provisions and corrects anomalies in the principal Act. As the Minister said in his second reading explanation, this Bill is corrective legislation. Because many provisions in the principal Act are now obsolete, it is proper for an efficient legislative process that such provisions be struck out and other anomalies corrected. The 21 clauses of the Bill achieve this aim, with the exception of clause 8, which is a saving provision. In supporting the Bill, I should like to take this opportunity to express appreciation to the senior officers of the State Bank for the manner in which they serve the bank and the State generally.

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

SALARIES ADJUSTMENT (PUBLIC SERVICE AND TEACHERS) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 30. Page 909.)

The Hon. JESSIE COOPER: I support the Bill, which has been prepared by the former Parliamentary Counsel, Mr. Edward Ludovici, and which amends sections 3 and 4 of the principal Act. It is corrective legislation clearing up certain matters relating to classification returns made by the Public Service Board and the Teachers Salaries Board. Sections 3 and 4 depended on certain provisions of the Public Service Act, 1936-1958, which has since been repealed by the Public Service Act, 1967, and on the Education Act, 1915-1958, which likewise has been repealed by the Education Act, 1972. Section 3 of the principal Act states:

(1) Whenever by any classification return made by the Public Service Board under the Public Service Act, 1936-1958, or by any award made by the Teachers Salaries Board under the Education Act, 1915-1958, the salary of any officer or teacher is increased, and by such classification return or award the increase is made retrospective to a date prior to the date when such classification return or award (as the case may be) comes into operation, then—

(a) if any such officer or teacher has retired during the period between the date to which the classification return or award is made retrospective and the date on which it comes into operation (which period is hereinafter referred to as the "interim period") he shall be entitled to be paid such increase of salary notwithstanding his retirement;

(*b*) if any such officer or teacher has retired or died during the interim period and a direction has been given under section 76a of the Public Service Act, 1936-1958, or under section 18a of the Education Act, 1915-1958, that a cash

payment in lieu of leave not taken be made to that officer or teacher, or his dependants or representatives, that direction shall, unless the Governor otherwise directs, authorise the payment of an amount calculated on the basis of the salary of the officer or teacher (as the case may be) as so increased;

(c) if any such officer has died and the Governor has directed, under subsection (8) of section 75 of the Public Service Act, 1936-1958, that an amount of salary be paid to the dependants or representatives of that officer, and the period in respect of which such salary is to be calculated falls wholly or partially within the interim period, the direction shall authorise the payment of an amount of salary which includes the increase made by the classification return.

Paragraphs *(b)* and *(c)* are the provisions to be amended. As explained in the Minister's second reading explanation, the adjustment of the amounts referred to in paragraphs *(b)* and *(c)* depends upon "directions" given under specific provisions of the repealed Acts as I have read them. No similar directions appear in the newer Acts. Again, section 3 of the main Act would have applied only to cases to which classification returns, under the old Public Service Act and awards under the old Education Act, were applicable.

Under the present or newer Public Service Act, classification returns do not apply to any permanent heads, and therefore corrective legislation was necessary in this regard. This is being done by replacing paragraphs *(b)* and *(c)* with new paragraph *(b).* Section 4 is also amended consequentially, and is quite obvious. The Bill is simple and straightforward and I see no reason for not facilitating its passage.

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

STATUTES AMENDMENT (GIFT DUTY AND STAMP DUTIES) BILL

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

ADJOURNMENT

At 4.3 p.m. the Council adjourned until Thursday, October 2, at 2.15 p.m.