

Mr BINGHAM - It is nice to be able to give the member for Franklin at least one out of two because, if I may say so, that is exactly the view the Government takes. Mr Speaker, the Government's position is exactly as you have indicated. We will deal with that notice of motion when it is convenient.

Speaker's Ruling

Mr SPEAKER - To clarify the situation, the honourable member for Franklin, Mr Lowe, is quite correct. That has been the tradition in this House. The first time it was ever taken immediately after the motion was moved would have been in 1970, I think. Prior to that I do not think there was a case of its ever being taken immediately after the motion was moved. However the matter is dealt with.

Mr HOLGATE - Mr Speaker, might I just say that I accept your ruling.

Mr SPEAKER - Is it a point of order?

Mr HOLGATE - No. I accept your ruling, Sir, but -

Mr SPEAKER - The honourable Deputy Leader will resume his seat because the matter has been dealt with. There is nothing in Standing Orders to warrant his getting the call. I am sorry.

Mr HOLGATE - Sir, I can continue to raise points of order until -

Mr SPEAKER - If the honourable Deputy Leader is rising to a point of order that is a different matter.

Mr HOLGATE - I will raise a point of order, Mr Speaker. Would you mind putting that ruling in writing, Sir?

Mr SPEAKER - I will have no hesitation in doing that.

Mr HOLGATE - Thank you. All we want is guidance, because obviously there has been a change of procedure.

ADDRESS-IN-REPLY

Resumed from 30 June 1982 (page 411)

Mr WALKER (Denison) - In supporting the motion before the Chair I wish to join the mover and the other speakers in their expressions of loyalty to Her Majesty the Queen and Her Majesty's representative in this State, His Excellency the Lieutenant-Governor. I would also like to congratulate you, Mr Speaker, on your appointment to the Chair.

I would also congratulate our Premier, the Honourable Robin Gray, on his outstanding qualities of leadership in leading the Liberal Party into government in its own right for the first time, and my Liberal colleagues, in whom the electors have shown their confidence and expectations by electing them to this Thirty-ninth Tasmanian Parliament.

This State needs strong and decisive government to restore confidence, to revive an ailing economy and a declining building industry and to reduce unemployment. The Premier has already shown the best qualities of leadership and I predict that in him this State will have an outstanding premier.

I did not intend to speak on the Address-in-Reply until the member for Denison, Dr Amos, asked me last evening when I intended to speak. I said that I was not, but then on the spur of the moment decided perhaps I would. If I had received the call last night I would have spoken then. Not having received it, I may speak a little longer this afternoon than I would have done last evening.

Three months ago I had no intention of seeking election to this Parliament; I had already declined invitations from the Premier to seek endorsement. What changed my mind? It was the headline in the 'Mercury' reading 'A caretaker government for six months'. I was appalled to think that this State could have a hung Parliament and that a period of indecisive and ineffectual government could continue. As the result of that nightmare I decided to seek endorsement.

I campaigned as 'your tax watch-dog for 15 years and now available as your member in Denison' and I propose to continue my self-appointed role in the interests of all Tasmanians. My views on taxation are well known. I believe that taxes should be equitable - that is, based upon ability to pay; that they should be certain - that is, that they should be clearly defined; and that they should be easy to collect - that is, that there should be the least amount of administrative costs. I have a strong view that a taxing act should be confined to imposing tax. It should not be used for providing social relief or social welfare.

The difficulties that can arise from such a practice can now be clearly seen with the Federal Income Tax Act. This act today is more than ten times as long as the principal act passed in 1936. The inclusion of so many rebates and allowances over the past 45 years has resulted in the act being most difficult to read, interpret and apply. It has become a haven for tax avoidance.

We in this Parliament must learn the lesson and purify our drafting of tax legislation so that tax exemptions and tax relief are separated from the act imposing the tax. Every taxing act should have a sunset provision so that the need for the relief can be reviewed and the act carefully monitored to see that it is not being used for tax avoidance purposes.

In a newsletter which I received yesterday from the Taxation Institute Research and Education Trust was a very discerning article by Professor Spry entitled 'Australians deserve the tax system that they have got'. He argued that there are at present sufficiently strong influences to prevent a reform of our present tax system. These influences are held by vested groups and the first group he describes are parliamentarians. This is what he had to say about politicians:

'In the first place there are politicians. The vested interests of politicians do not favour tax reform. With some politicians there is a desire to achieve some public good, but in almost all cases the desire to achieve re-election, to court popularity amongst public servants, to obtain positions of importance and to assist party solidarity becomes dominant. Politicians have been enabled to assume, through public reactions in the past, that they will avoid greater unpopularity, and will be more likely to achieve re-election, if they allow taxes to rise gradually - and to as great an extent as possible, imperceptibly - than if they restrain expenditure. In particular, politicians will support tax reform only if there is sufficient pressure upon them to do so.'

I am for tax reform but I also firmly acknowledge that, where exemptions are granted, the losses in revenue will have to be recouped and this in effect usually means that the tax burden will have to be transferred to other taxpayers.

I listened carefully to the speeches on the Address-in-Reply of members of the Opposition for constructive suggestions for the economic development of this State. Mr Speaker, I listened in vain. The speeches went from a plausible justification of the failure of the economic policy of the former Government to what I believe to be nothing more than childish criticism that the new Premier was too strong a leader. No amount of protestation will remove the reality of the swiss-cheese content of the previous Government's economic policy and the pumpkin-like quality of its leadership - and you know, Mr Speaker, a pumpkin is yellow on the outside and mushy on the inside.

The addresses could be characterised as a weary, tedious tirade against a change of direction of government, including the change to strong leadership. There was not one suggestion with regard to law reform in this State. In fact there has been no significant law reform in this State for the last half-decade. I would like to mention a few matters which I will be asking this Government to implement.

The first is the abolition of death duties. This was an electoral promise and legislation to end probate duties will be brought in during this session. Let me give members just one example of the complete inequity of this iniquitous tax. Recently a former Crown Solicitor of this State died. He was a bachelor who had lived for many years with his sister. He himself suffered poor health and was frequently in and out of the Repatriation General Hospital. I recall the former Crown Solicitor very largely by the fact that whenever he went to meetings of the Royal Society of the Tasmanian Historical Association he was accompanied by his sister. He died leaving the whole of his estate to his sister. Under the present probate duty laws of this State, 28.5 per cent of his estate will be taken in death duties and yet, if his sister could file a declaration saying that she had been living in a de facto relationship with her brother, no probate duty would be payable. I am looking forward to speaking in support of the bill abolishing this debilitating tax.

The second matter I would like to speak about is the distribution of estates of persons who die in this State without making a will. I would assume that most people would believe that if a man died leaving a wife and children, his widow would be entitled to the furniture in the house and entitled to the matrimonial home. They would be mistaken. Under the present legislation all a surviving spouse receives is a legacy of \$50 000 and one-third of the residue of the estate. It means that if a man dies without making a will and his wife wishes to receive the furniture and the property - the matrimonial home - she would have to go cap in hand to the children to ask their consent to the furniture or the property being appropriated to that \$50 000 or her share of cash from the estate. If the children are minors, there are extreme legal difficulties.

Over the last three years I have written continuously to the former Attorney-General pointing this out to him and proposing that a widow in such circumstances should have an absolute right to the furniture in the house and a right to receive the matrimonial home towards the \$50 000 or her share in the estate. The result was nil. I hope that during the present session of Parliament something may be done to rectify something which I believe should have been corrected a long time ago.

If members of this House were to look at their property titles they would probably see a little rectangle showing an area perhaps in perches or a percentage of a hectare with some measurements on the side and, with any luck, a line showing a street in the front of it. The majority of people would never be able to identify their property from the title they receive today. An owner should be able to identify his property by the street and the street number and, when there is a house on the property, by a photograph showing the property itself.

The Real Property Act system is supposed to provide a cheap system of conveyancing. Yet at present, if one registers any documents or any deeds in the Deeds Office, the registration fee is \$26; but for the cheap, efficient Real Property Act system, if the transfer relates to a property of under \$40 000, the fee is \$50, and if the property is valued at over \$40 000, the fee is \$90. Why is this so?

The fourth matter I would like to refer to is the question of the effect of divorce on wills. Most people realise that wills are revoked on marriage but not, in this State, by divorce. I believe that when a person is divorced he or she should be treated for testamentary purposes as if he or she had died before the testator. But something should be done in this State to clarify the position concerning wills that are made where the parties are divorced.

The fifth matter I might mention is the Retirement Benefits Bill and the Parliamentary Superannuation Fund. I was sorry that I did not have the opportunity - because of the time factor - of giving consideration to and making remarks about the contents of that bill. But I believe there is an urgent need to reappraise the whole basis of superannuation benefits. The existing scheme should be replaced by one of lump-sum retirement payments, based on salary as at the date of retirement. In my opinion a satisfactory scheme would be one where retirees receive a lump sum based on four to five times their final salary. The present scheme means that the majority of retirees will never receive social security benefits, they will not receive a pension until they are 70 years of age and they will pay tax for the rest of their lives.

It also means that the State is subsidising the Federal Government in the provision of benefits. This means that, because of the payments made by this State, the retirees are not entitled to the fringe and other social security benefits which would normally be paid. The present system is a drain on existing public funds and involves an unnecessarily high cost in administration. I hope to be able to go into this matter in some depth at a later date.

The next matter I would like to address is the question of deposits with the Hydro-Electric Commission. I believe consideration should be given to the Hydro-Electric Commission establishing a deposit account in which depositors may place money on the basis of receiving interest or by way of discount on their HEC accounts. This would give a great advantage to people receiving pensions and whose income is approaching the limit for entitlement to fringe benefits. It would mean that, instead of leaving money unbanked or in no-interest accounts, these people can place their money on deposit with the Hydro and receive a discount from their account. The discount would not be income, either for social security purposes nor, in my opinion, for income tax purposes. The benefit would not affect the entitlement to receive social security benefits.

The next matter I would like to mention is the need to protect borrowers. One of the things I found to be a great disappointment in its last years was the failure of our 'Caring Labor Government' to look after the interests of borrowers. We had a Lending of Money Act which operated very satisfactorily for over 50 years, and which limited the maximum amount of interest that could be charged on loans in this State. This legislation was repealed by our former 'Caring Government' to enable bankcards to come into operation. They were charging 18 per cent interest whereas the maximum rate of interest under that act was 15 per cent.

The Government should give consideration to prescribing the maximum rate of interest that can be charged on loans in this State. It should also introduce legislation to protect borrowers. It would seem to me that the appropriate type of legislation would provide that no action can be taken to recover money where the interest is over a certain rate unless there is 30 days' default and prescribed notice is given of the intention to take action. I also believe it would be in the interests of borrowers in Tasmania if the Tasmanian savings trustee banks were freed from the restrictions that prevent them from operating with full trading facilities.

It is almost a daily occurrence in this State when people purchase a second-hand vehicle to find that the person who sold them the vehicle is not the true owner but that the owner is a finance or leasing company whose name is not shown on the registration papers. I believe a register of vehicle ownership is required and that all charges relating to vehicles should be noted on the certificate of ownership. The cost of doing that would be very little and there may be extra revenue for the State from the fees paid on notation of ownership and from the charges on the certificate.

There is a great need for a pensioners' tax and social security advice bureau. Pensioners need to be able to obtain individual advice as to how to arrange their financial affairs so that they can obtain maximum social security benefits. This is not a matter for straight-out legal aid. The Legal Aid Office is staffed by dedicated young practitioners but this is not their field of expertise, nor have they the maturity and experience to communicate effectively with elderly pensioners. What is required is

a bureau comprising senior legal practitioners experienced in the field of social security. It does not have to be funded by the Government. Finance should be provided by the Solicitors' Trust or by the Law Foundation. It is needed and I hope the Government will take the initiative to see that such a bureau is established.

This is merely a selection from a comprehensive list of proposals which I have for law reform, which I will submit to the Government for consideration.

Finally, I argue for smaller and more efficient government and a more careful use of taxpayers' money to provide for a better life and for human dignity for all people in our wonderful State.