

HOUSE OF ASSEMBLY.

Tuesday, July 22, 1952.

The SPEAKER (Hon. Sir Robert Nicholls) took the Chair at 2 p.m. and read prayers.

ASSENT TO ACTS

His Excellency the Lieutenant-Governor intimated by message his assent to the Appropriation (No. 1) and Supply (No. 1) Acts.

QUESTIONS.**BASIC WAGE INCREASE.**

Mr. O'HALLORAN—Can the Premier say why the recent basic wage rise was so high (13s.) in South Australia, being 2s. over the average for the Australian capital cities, and 7s. over the figure for Brisbane? It may be that some of the increase in South Australia was due to the de-control of clothing prices in this State. If that is so, will the Premier consider the re-control of clothing prices, or any other prices which may have caused the basic wage to rise?

The Hon. T. PLAYFORD—Any remarks I could make about the reason for the increase would be only conjecture. The Leader of the Opposition knows that the Commonwealth Statistician does not usually set out the reasons for various increases. This time he did make some general observations, including the statement that the prices of meat and certain commodities had gone up, and mentioned there had been increases in the prices of electricity in all States, but I know of no increase in the electricity price in South Australia. I believe that what probably influenced the adjustment more than anything else was the very wide recommendation made by a special committee during the last session of Parliament in connection with our landlord and tenant legislation. In it there was provision for rents to be increased by, I think, 22½ per cent over the 1942 level, in addition to the increases in rates and the cost of repairs. These adjustments should now be coming into effect. After the Act was passed a substantial time had to elapse before many applications could be dealt with, and in my opinion they probably weighted the average for South Australia. Two States, Western Australia and South Australia, have de-controlled clothing prices. Western Australia had a low basic wage adjustment compared with the adjustment in this State. Although there has been de-control of clothing in South Australia a careful check has been made on the movement of prices. Actually more inspectors have been engaged checking

clothing prices since de-control than when they were controlled. Where we found that an increase was not justified we immediately controlled the price of that item.

Mr. O'Halloran—That was in connection with floor coverings?

The Hon. T. PLAYFORD—Yes, we brought the price back to the proper level. As far as we can make out at present the increase in the basic wage was in no way due to the de-control of clothing prices. In fact, it may even have tended to make a stabilized price where one did not exist before. There is an over-supply of clothing at present, as well as keen competition.

Mr. O'HALLORAN—Will the Treasurer ascertain from the appropriate Federal authorities—I think the Statisticians' Branch—whether the figures can be made available showing the comparative increases in the various items which make up the cost of living regimen that were used to bring about the adjustment for last quarter?

The Hon. T. PLAYFORD—Various State Governments and, I believe, some industrial organizations have tried to secure that information at different times. For the previous quarter the basic wage in Victoria rose by 3s. and there was considerable discussion in industrial circles in that State about the small increase. Similar information to that sought by the honourable member has not been made available to various States or other authorities and I have no doubt that it will not be made available now. However, at his request I will again make representations to see whether there has been any alteration in policy.

PRICE CONTROL.

Mr. LAWN—It has been reported in the press that a meeting of Prices Ministers will be held in Brisbane on Friday of this week at which a move will be made by some States to ask the Commonwealth to take over price control again. Will the Premier set out the policy of his Government in the event of such a move being made?

The Hon. T. PLAYFORD—The policy of the South Australian Government in connection with price control was set out in the speech with which His Excellency the Lieutenant-Governor opened Parliament and I cannot add anything to that. On the front page of today's *Advertiser* the Prime Minister is reported to have said that the Commonwealth would not exercise its powers in connection with price control.

MANNUM-ADELAIDE PIPELINE.

Mr. HUTCHENS—In opening this session the Lieutenant-Governor said that continued progress had been made in the laying of the pipeline from Mannum to Adelaide, but gave no details. Can the Minister of Works give a more detailed report so as to indicate when the industries and residents of the metropolitan area may expect to be supplied with water from that pipeline?

The Hon. M. McINTOSH—To give in reply to a question an estimate regarding work which will cost several million pounds and which is more or less in its initial stages would be impossible. What progress has been made in the laying of the pipeline is only incidental to the completion of the general scheme, which includes pumping stations, workmen's cottages, and other things. Progress will depend entirely on the availability of materials, manpower, and money.

Mr. O'Halloran—Plenty of manpower is available at Bonegilla.

The Hon. M. McINTOSH—Apparently, but I have not heard of such labour offering here. Even if it were, the Australian Workers' Union would probably object, alleging that some Australian would be out of a job. If the honourable member will put his question on notice I will further consider it.

BUILDING PERMITS.

Mr. DUNNAGE—I notice in the press that building permits are becoming more easily available for home building. Can the Premier say whether permits for factories, offices and other accommodation will become easily available in the very near future?

The Hon. T. PLAYFORD—The Building Materials Office is still receiving many applications for home building permits, and I am informed that the people who are getting the permits are still having difficulty, for one reason or another, in proceeding with the work. The report which stated that housing permits are being issued more freely also stated that the position had become easier with regard to the issue of permits for factory and office accommodation. Progressively as the availability of building materials and manpower improves—and the manpower position has improved very substantially in the building industry—it is the policy of the Government to make relaxations in controls, always ensuring that adequate room is left in the building programme for the completion of housing projects.

HOUSING TRUST EMERGENCY HOMES.

Mr. RICHES—A little time ago I was surprised to learn from applicants for Housing Trust emergency homes in the city that the Housing Trust was no longer granting interviews to such applicants. Can the Premier say why the trust has ceased to interview applicants and can he indicate the trust's policy on future applications for homes and whether there are any other means proposed to meet the housing shortage?

The Hon. T. PLAYFORD—I cannot say offhand why interviews are not now granted by the trust for emergency houses, but I will make inquiries. It may be that the emergency housing programme which was approved has been completed and that as a result there are no vacancies. The honourable member is not correct in his assumption about the trust's policy on emergency houses. They were built by the trust, as agent for the Government, to relieve the distress of people living under deplorable conditions in shacks, on the sandhills, and along river banks. This was an emergency undertaking to give quick relief without interfering with the ordinary housing programme. It will be possible to spend all the money available for housing this year on orthodox housing and any emergency programme under those circumstances could only be carried out at the expense of permanent housing. I believe members appreciate that that would not be desirable. The programme approved will not be supplemented by further emergency houses.

EMPLOYMENT ON SOUTH PARA RESERVOIR.

Mr. JOHN CLARK—Is it correct that many men previously employed on the South Para reservoir scheme have been diverted to other works and, if so, how many are still employed on the project exclusive of those engaged on the tunnelling scheme under contract?

The Hon. M. McINTOSH—I will obtain the information for the honourable member.

ABATTOIRS SLAUGHTERING METHODS.

Mr. DUNKS—I noticed at the annual meeting of the Royal Society for the Prevention of Cruelty to Animals reference was made to the captive bolt system of slaughtering stock which has been adopted in Victoria. Is it proposed to introduce the same system at the Metropolitan Abattoirs?

The Hon. T. PLAYFORD—Some time ago I received a deputation from the Royal Society

for the Prevention of Cruelty to Animals asking that investigations be made into this system of slaughtering and for legislation to be introduced to have it adopted. The matter was referred to the Minister of Agriculture and it has been arranged for the necessary instruments to be obtained so that tests can be carried out to see whether the method is satisfactory and practicable at our abattoirs. As far as I know, the tests have not yet been made, but after they have been a report will be submitted to the Government.

CUSTODY OF MONEY AT ADELAIDE POLICE STATION.

Mr. FRED WALSH—The public were amazed to read in the press a few weeks ago that £1,200 had been reported missing from the Adelaide Police Station. Most people would think that was the safest place for money to be held. Has the money been found and, if not, is there any official explanation how it came to be missing?

The Hon. T. PLAYFORD—The last report I received was that inquiries were continuing but that the money had not been recovered. It has been the practice for many years that after people have been apprehended by the police money or property in their possession has been held in the safe at the police station. I did not know that that practice was in existence, and as soon as it was brought under my notice I arranged for all such money and valuables to be lodged at the Treasury, where they will be kept under proper supervision.

COAL SUPPLIES AND PRICES.

Mr. DUNNAGE—I notice from this morning's press that there has been a record output at the New South Wales coalfields where about 1,200,000 more tons of coal has been mined this year than last. I understand that this State is still importing coal from India. Is it possible for us to obtain all our requirements from Newcastle as I understand that coal is lying at the pitheads there ready for transport? What are the respective prices of Indian and Newcastle coal?

The Hon. T. PLAYFORD—Very little of the coal from India came to South Australia, most of it going to Victoria. Importations from both South Africa and India, which were arranged at a time when coal was very short with the object of leaving more Newcastle coal for the steel industry, ceased some months ago. South Africa itself became short of coal and did not complete its orders, and its action to cease exports was not resisted by Australia.

Supplies from New South Wales have recently been much better maintained, and South Australian stocks today amount to about 80,000 or 90,000 tons, so we are relatively well off compared with our experience in recent years. Today I discussed the position with representatives of the Coal Owners Association and the Coal Board, and I believe that in future we shall get a very much better quality coal from New South Wales. The quality of the coal received in the last few years made it imperative for enormous quantities of fuel oil to be used, and this considerably increased the cost of locomotive haulage. With a better grade of coal, very substantial relief in costs should be obtained. Subject to correction, I believe the landed cost of coal from Newcastle is about £5 15s. a ton, and the coal coming from the new loading station at Balmain will be about £7 a ton, or a little more.

FISH PRICES.

Mr. TAPPING—A statement appeared in the *News* last night from the secretary of the South Australian Housewives Association to the effect that mullet fillets were being sold at 4s. 6d. lb. during the week end at certain shops, and at 6s. lb. at others. Will the Premier ascertain whether fish prices are being abused, and, if they are, will he consider re-controlling them?

The Hon. T. PLAYFORD—Fish prices were controlled by all States when they took over price control from the Commonwealth. A large percentage of South Australian fish is sent interstate. It was quickly found impracticable to control supplies efficiently, notwithstanding that we had officers hidden in sandhills in various parts of the State to pick up black market transactions. I understand that every State has de-controlled fish prices, because there is no check-up on the ultimate sale of the fish itself. The Government has no intention of re-controlling fish prices, but I will ask for a report to see whether anything effective can be done to ensure that fish is made available to consumers at a reasonable price.

EUDUNDA TO BARMERA ROAD.

Mr. MICHAEL—Last year, following on a report by the Public Works Standing Committee and a deputation which I introduced to the Minister of Works, it was agreed that the road on the upper side of the Murray from Eudunda to Barmera would be improved to assist traffic, particularly in times of high river. Can the Minister say what work is being done on this road?

The Hon. M. McINTOSH—Following on that report, the matter was taken up in Cabinet and with the Highways Commissioner. The present position is that any new work started in South Australia has to be at the expense of some other work. We have neither the plant, the manpower, nor the material to do concurrently everything that we would like to do. The report was accepted by the Government, and the Highways Commissioner arranged to send plant there—more or less scrapings from other places where they could be spared. The councils concerned were authorized to do what work they could; they had suggested that they could do a substantial amount of it if they had the funds. The onus was thrown on them to do the work, but I am afraid the response was very light. Therefore, it became a matter, not of what they could do, but of what the Government could do, and the work had to be done at the expense of someone else. The Government is doing its best to honour the spirit and intent of the report. I will get a full report on the work that has been done.

TYPHOID OUTBREAK AT WOODSIDE.

Mr. FLETCHER—At the last meeting of the House Mr. Shannon asked the Premier a question regarding a supposed outbreak of typhoid at the Woodside military camp. I am interested in the matter as one of the boys involved comes from my district. He was taken seriously ill and put into Dawes Road hospital. His local district council was advised that he was suffering from typhoid and was asked to have his home inspected to ascertain its condition. His mother was in a delicate state of health, and did not know of her son's condition until the visit of the inspecting doctor. This caused much upset to the family. I have been in touch with the army authorities on another matter in connection with the boy's illness, and they suggested that he had neglected to write to his parents concerning his condition. Actually he was not allowed to write because he was so seriously ill, and still is. He has been operated on and is still in hospital. Can the Premier say what reply the Minister of Health received on this matter and on what date the civil authority was notified of the outbreak at the camp?

The Hon. T. PLAYFORD—As promised Mr. Shannon, I asked the Minister of Health for a report to see whether adequate steps were being taken by the authorities to safeguard the position. Mr. Shannon remarked

that there was some local public concern about the outbreak and said that if there were a severe outbreak of typhoid it would be hard to confine it to the camp. The report from the health authorities came back fairly promptly after the enquiry and it said that definite diagnosis showed that it was not typhoid but some other complaint, and that the matter was well in hand. I believe the report was forwarded to the member for Onkaparinga, and maybe he could supply the details to the honourable member. A superficial glance at the report showed that the health authorities were well on the job and that the matter was being closely watched.

Mr. Shannon—It was accepted that it was not a typhoid case.

The Hon. T. PLAYFORD—Yes. Perhaps the member for Onkaparinga could let Mr. Fletcher have the details.

ADELAIDE RUBBISH DESTROYER.

Mr. LAWN—Sometime ago there was a considerable complaint from a number of residents in the eastern portion of the City of Adelaide about damage to their properties by the City rubbish destructor. I understand that a number of ratepayers formed a committee with the object of commencing legal proceedings against the City Council and that an arrangement was made between the parties for the ultimate transfer or abolition of the destructor. Can the Minister of Local Government indicate the terms of the agreement and what the City Council intends to do with the destructor?

The Hon. M. McINTOSH—The honourable member will understand that this is a matter entirely within the control of local government, but as he, as the representative of the district, has asked the question, I will pass on his request to the local government authority, and no doubt in courtesy it will reply. I have no means whereby I can demand a reply, but I will endeavour to get the information for him.

RIVER MURRAY FLOOD.

Mr. HEASLIP—From the information coming forward it would seem that there is a possibility of a high level of water coming down the River Murray. The last time one came down considerable losses were experienced by settlers in the lower reaches of the river. Can the Minister of Works indicate whether there is a likelihood of a repetition of these losses?

The Hon. M. McINTOSH—Whether or not there will be a repetition of the losses depends entirely on the steps taken by the people likely to be affected by floodwaters. Within the last week I gave the latest information from the data we had. This morning, expecting a question of this nature, I got from the Engineer-in-Chief, Mr. Dridan, the following information:—

Recently an examination was made of water levels in the Upper Murray and Murrumbidgee Rivers with a view to forecasting behaviour of the river when the floodwaters reached South Australia. It was concluded that the level at Renmark would be a little over 2ft., exceeding last year's height by 1ft., and that a peak 2in. or 3in. higher than that of last year would occur at Mannum and Murray Bridge early in September. The position has been affected by subsequent heavy rains on the watershed, and while insufficient information is yet available to again assess the situation, it appears certain that the levels previously anticipated will be exceeded. Nearly a fortnight will elapse before the full effect of tributary flows is known, and it will then be possible to prepare a forecast based on the effect of the later rains. The conditions existing this winter over the whole of the Murray watershed are typical of high run-off years, and it is likely that successive rains will eventually cause the flow in the Lower Murray to build up to a level well above the levels experienced in recent years.

When I issued the warning earlier I said:—

Landholders and other residents of Lower Murray areas can be assured that all practicable steps will continue to be taken to safeguard their interests. However, nature takes a hand in these matters and the effect of the measures now being adopted would be insignificant if a really large flood occurred.

I ask them to take every means, as the Government is doing, to ensure their own safety by limiting the damaging effect of a very high river.

NORTH-SOUTH RAILWAY LINE.

Mr. RICHES—I understand that it was said over the air that the Prime Minister was not prepared to make available for some time the report of the Royal Commission, which inquired into the respective routes of the proposed north-south standard gauge railway line, and that only the findings would be published now. Can the Premier say whether that is so, and if he has a copy of the report will he make it available to honourable members? From my reading of the findings of the Royal Commission I consider a case has been made out in favour of the Commonwealth proposal, but I find nothing to support a suggestion that the existing line should be scrapped. Will the Premier cause an investigation to be made into the possibility of the State continuing to take

delivery at Quorn of Leigh Creek coal consigned to Adelaide, thus retaining the present Adelaide coal traffic on the existing route? There is a feeling that the new line will be required to carry increased traffic from the Northern Territory, as well as increased traffic between Leigh Creek and Port Augusta, but there is no case, from the reading of the findings, for any disappearance of the existing line.

The Hon. T. PLAYFORD—Prior to the release by the Commonwealth of the findings of the Royal Commission I had received from Mr. Justice Wolff a copy of the report, with a covering letter asking me to treat it as confidential until it was released by the Commonwealth. I had it in my possession two or three days before the Commonwealth released the findings of the Royal Commission. As it was to be treated as confidential, I had it locked away and did nothing about it, except to make it available to the press when the Commonwealth released the findings. That is the reason why the findings were so fully printed. Since the findings have been released a request has come from the Prime Minister for our Government Printer to print the report, because owing to congestion, the Commonwealth Government Printer could not have it in print inside a year. The comments ascribed to the Prime Minister, of which I have no knowledge at all, probably arose because he did not have the report to release. A number of alternative routes were placed before the Royal Commission, and the Commonwealth and the State agreed to accept the findings. The Royal Commission substantially supported "C" route, which provided for the construction of a line on the western side of Flinders Range, for the maintenance of the present line as far as Hawker, and for the provision of services for the local residents on the line south of Hawker, but for the abandonment of the line from Hawker to Brachina. As it is more than a year since this matter was before the House I will refresh my memory to verify my recollection of the facts and let the honourable member have further information.

HOSPITAL AND MEDICAL BENEFITS ORGANIZATIONS.

Mr. O'Halloran, for Mr. F. H. WALSH (on notice)—Can the Treasurer give the number and names of companies in South Australia the objects of which are to provide hospital and medical benefits and which are not registered as approved organizations to pay certain benefits as provided under the Commonwealth Health Act?

The Hon. T. PLAYFORD—There is no local Commonwealth Government Public Actuary branch and therefore no check as to actual registration can be made here. Legislation is under consideration to safeguard the interest of contributors.

SOLAR SALT COMPANY.

Mr. RICHES (on notice)—

1. Did the Treasurer, in his New Year message to the State, refer to the advantages which would accrue from a development of the salt industry in the north of this State?

2. Did he have in mind the work of the Solar Salt Company, near Port Patterson on Spencer's Gulf?

3. Have representations been made to him in connection with this undertaking for (a) financial assistance; (b) harbour facilities; (c) handling facilities; (d) roads?

4. If so, what assistance, if any, has been made available?

5. Is he aware of the claim of the manager that this industry could be developed to produce over 1,000,000 tons of industrial salt annually for overseas markets?

6. If so, has this claim been investigated with a view of securing this business for South Australia?

The Hon. T. PLAYFORD—The replies are:—

1 and 2. The reference to the development of chemical industries was not limited to any particular part of the State.

3, 4, 5, and 6. No correspondence has been received from the Solar Salt Company, but correspondence and discussion have taken place with the Cosmic Salt Company.

**HOUSING: FOREST EMPLOYEES,
MOUNT BURR.**

Mr. O'HALLORAN (on notice)—What was the average cost of the houses recently erected at Mount Burr for employees of the Woods and Forests Department?

The Hon. M. McIntosh, for the Hon. Sir GEORGE JENKINS—The cost of each of the last six houses completed at Mount Burr, for which final figures are available, is £1,418. This includes a shed or garage, but does not allow for fencing, which is estimated to cost approximately £100 a house.

HOUSING TRUST: IMPORTED HOUSES.

Mr. O'HALLORAN (on notice)—

1. How many houses did the Housing Trust contract to import from overseas during the two years ended June 30, 1952?

2. Which countries participated in those contracts?

3. How many houses were contracted for in each country?

4. What was the average landed cost per house imported?

5. Is any subsidy provided by the Commonwealth Government towards the cost of such houses?

6. If so, what is the subsidy per house?

7. Are these houses being sold?

8. If so, what is the average selling price per house?

The Hon. T. PLAYFORD—The replies are:—

1. 3,832.

2. United Kingdom and Western Germany.

3. United Kingdom, 3,027; Western Germany, 805.

4. The Housing Trust, in order to protect its interests when negotiating contracts, does not desire to make its contract prices public.

5. Yes.

6. £300.

7. Yes.

8. Approximately £2,560. This selling price applies only to houses imported from the United Kingdom under the contract with Cawood Wharton & Co. Ltd. None of the houses from other sources has yet been completed and the stage has not been reached where a selling price can be established.

MIGRANTS FOR RAILWAY WORK.

Mr. O'HALLORAN (on notice)—

1. How many migrants were engaged to work in the South Australian Railways Department as a result of the visit to Germany last year of an officer of the department?

2. How many of these migrants have arrived in South Australia?

3. Are any more expected to arrive?

4. If so, how many?

5. What provision is made for the cost of their transport to South Australia?

6. Are they under contract to work in the South Australian Railways Department for any period?

7. If so, for what period?

The Hon. M. McINTOSH—The replies are:—

1. 1,900.

2. 1,557.

3. No. Balance 343 cancelled.

4. *Vide* No. 3.

5. Sea passage paid by Government and amount being recovered from each migrant by fortnightly deduction on paysheets spread over a period of two years.

6. Yes.

7. Two years.

TRUST HOMES, GAWLER.

Mr. JOHN CLARK (on notice)—

1. How many houses have been constructed by the Housing Trust in Gawler for (a) rental; (b) purchase?

2. How many does the trust propose to construct in Gawler in the above categories?

3. Does the trust contemplate acquiring additional land for house building in Gawler, or near Gawler?

The Hon. T. PLAYFORD—The replies are:—

1. (a) 66. (b) 30. A further 14 houses are now in course of erection.

2. The Housing Trust has not defined its building programme at Gawler, but will, as is its practice in country areas, continue building for so long as a demand for its houses exists in Gawler.

3. The trust recently purchased an area of approximately 60 acres at Gawler and now has land sufficient for about 300 further houses. Further land purchase will be made when necessary.

COUNTRY SEWERAGE.

Mr. RICHES (on notice)—

1. When is it proposed to submit the plans and suggested rating for a sewerage scheme for Whyalla to the Whyalla Town Commission?

2. What is the Government's intention regarding country sewerage schemes generally?

The Hon. M. McINTOSH—The replies are:—

1. The design and estimates were completed some months ago but several increases in the basic wage necessitated further review of costs and consequent economies of the whole scheme. Revised estimates and financial statements are nearing completion and these will be available for submission to the Whyalla Town Commission early.

2. The Government's policy has always favoured the construction of sewerage schemes to serve country towns, and it has no intention of departing from this policy. As with all other public works, progress on such schemes depends upon the resources of labour, materials and finance available to the State, and consequently the rate of progress is necessarily dictated by these factors.

PORT AUGUSTA-WOOMERA ROAD.

Mr. RICHES (on notice)—In view of the bad state of repair of the Port Augusta-Woomera Road at the Woomera end, and the large amount of traffic using this road, what steps are being taken to make this an all-weather road?

The Hon. M. McINTOSH—During the latter part of May and the early part of June, heavy rain fell in the north-west and the road surface was damaged by vehicles, mainly traffic to and from the Rocket Range. The Port Augusta-Woomera Road runs parallel to a railway line over its entire length, whereas vast areas of the State are entirely dependent upon road connections for the transport of persons, mails, supplies and produce. Notwithstanding this fact, regrading commenced as soon as the surface was capable of carrying the heavy grader, and will continue until the road is again in good condition.

PUBLIC WORKS COMMITTEE REPORTS.

The SPEAKER laid on the table reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Northfield Mental Hospital additions, Mount Burr Mill new boiler plant, Yankalilla area school, and Mount Gambier Hospital new children's ward.

Reports ordered to be printed.

SITTINGS AND BUSINESS OF THE HOUSE.

The Hon. T. PLAYFORD moved—

That during the present session, unless otherwise ordered, the House meet on Tuesday, Wednesday and Thursday in each week, at two o'clock.

Motion carried.

The Hon. T. PLAYFORD moved—

That during the present session, on Tuesdays and Thursdays, and after the six o'clock adjournment on Wednesdays, Government business take precedence over other business, except questions.

Motion carried.

ADDRESS IN REPLY.

The Hon. T. PLAYFORD (Premier and Treasurer) brought up the following report of the committee appointed to prepare the draft Address in Reply to His Excellency the Lieutenant-Governor's Speech:—

May it Please Your Excellency—

1. We, the Members of the House of Assembly, express our thanks for the Speech with which Your Excellency was pleased to open Parliament.

2. We deeply regret the death of our late beloved sovereign, King George VI.

3. We join in the general expression of loyalty to Her Majesty Queen Elizabeth the Second on her accession to the Throne.

4. We assure Your Excellency that we will give our best attention to all matters placed before us.

5. We earnestly join in Your Excellency's prayer for the Divine blessing on the proceedings of the session.

Mr. SHANNON (Onkapinga)—I rise to move the adoption of the Address in Reply. I associate myself with the sentiments expressed in the Lieutenant-Governor's Speech relating to our late Sovereign King George VI., who, unhappily, served during a period in our history when for only very short intervals did he have no troubles on his hands. His was probably one of the most troublous reigns in history, at least in modern times, and we were all deeply sorry that His Majesty's health could not stand the strain. Everyone knew he was not a strong man, and undoubtedly the strain of the war proved finally too much for him. I am pleased to associate myself with the expressions of loyalty to Her Majesty Queen Elizabeth II. We are confident that there will in her reign be an upsurge similar to that in the reign of Elizabeth I. Some brilliant brain will be brought to light to emulate, if not to match, that of Shakespeare. Great things in other spheres may also be achieved such as characterised the reign of the former Elizabeth. I pay a tribute to Sir Willoughby and Lady Norrie, who were a very beloved couple. Although they served the State for a long period it seemed all too short. I also pay a tribute to the Lieutenant-Governor, Sir Mellis Napier, and to Lady Napier. We are fortunate in having a man of the dignity and ability of Sir Mellis to carry out the duties of his high office when the Governor is absent on affairs of the State or during the interregnum between the retirement of one Governor and the appointment of his successor.

This is the first occasion on which I have been honoured with an invitation to move the adoption of the Address in Reply. I have no real objection to the debate on the Address in Reply, but having been a member of the House for nearly 20 years I feel that matters of paramount importance have usually been avoided, and this has somewhat killed my interest in the debate. I know that one can deal with almost any topic during the debate on the Address in Reply, but such a debate does not greatly appeal to me. I prefer to speak on a particular topic. I make that comment in order that members may know that if I fall down on my job this afternoon it may be because I have not that concern for this debate that perhaps I should. It is usual for the mover to make at least a passing

comment on the Lieutenant-Governor's speech. It is certainly an important document—one that should give some line on the matters to be discussed during the session.

Mr. O'Halloran—It has certainly become an important historical document.

Mr. SHANNON—This is a pre-election session, but I will not address myself to any extent to what the Government proposes or whether it can be rightly charged with putting something in the political window.

Mr. O'Halloran—That practice has been with us so long that it has become shop-soiled.

Mr. SHANNON—Only in passing do I pay a tribute to the present Government. I believe its deeds speak so well for themselves that praise from me would be redundant, in fact a little embarrassing to myself as one of its supporters, so I will leave the facts, which are well known throughout the State, to speak for themselves. They will stand the closest inspection and I am proud to be a supporter of an Administration with the record of the Playford Government.

Mr. O'Halloran—A great deal will depend on the judgment of the jury—the people.

Mr. SHANNON—Some people have already passed judgment on what will happen to the Government when the jury once more gives its verdict. However, I do not jump fences before I reach them and I think there will be ample time next year to do the jumping. Even straws in the wind are not always a true guide to what may be happening in another sphere. I wish to say a few words about the major difficulties facing not only South Australia but our nation. These difficulties will have to be resolved if we are to continue to call ourselves self-governing. We still call ourselves a self-governing State, but on what grounds I am at a loss to say. I do not agree that under present conditions South Australia is a properly constituted self-governing State. Until a responsible Government, having been elected by the people, goes to them and tells them what money it requires and collects and spends that money as it thinks best there can be no true self-government. Whilst there is a Federal Government collecting taxes and passing back from the collection plate this State's share we cannot call ourselves self-governing. I believe that the major problem facing us is finance. I have made a few headings to help me with my speech and find that they all have some bearing upon the problem of finance and that they are inter-related. One, for instance, is "Uniform taxation" which, of course, is

closely related to finance. Then I will speak on the Loan Council and its control of Loan expenditure. Then I will come to inflation, the bugbear of us all, and perhaps the most frightening of our troubles; and suggest some steps we might take to lead us back to sanity.

Our national income has dropped by about 50 per cent, the wool cheque by more than 50 per cent. Our wheat exports are not as large as we would like, not because of unfavourable seasons, but largely because of insufficient labour. Again, dairy production has not been as great as we desire, and we have not been able to ship much meat to the United Kingdom. The meat shortage has not resulted so much from a shortage of labour as from seasonal conditions. I have not seen the conditions in the north of Australia, but the member for Light has told me of them. It must be heart-breaking to see the enormous loss of cattle. If anyone's income is cut in half he has no surplus for investment after providing for the carrying on of his business, no matter how careful or astute he may be. It is only by maintaining the flow of money into the country from exports that the Government can develop our nation. Obviously, a cut in the national income must affect our ability to borrow. I consider that during the boom periods Governments spent much too freely on certain undertakings. I know that not all will agree with that. Too much money has been spent, especially from Loan, on assets which, when we take into account the inflated costs which apply today, will mean that future generations will be saddled with high interest costs on the money borrowed. I admit that some of the works proposed are very desirable and pressing. However, future generations will enjoy the doubtful privilege of paying high rates of interest on assets worth about one-third of what it would cost them to establish in their day. Costs are mounting to the point when there is no doubt a day of reckoning will arrive for someone. I hope it will not be as it was during the last depression when even gilt-edged securities lost their value. It was brought about by a previous boom in the 1920's when a similar mad rush took place and left no one with fat on his ribs to carry on through the lean period that followed.

I have always held the view that sound finance must take account of the morrow—that we must set aside sufficient to tide us over the lean period we know will come. We know that cycles of boom and bust are his-

torical factors in our economic life. If anyone thinks that controls are a panacea for this difficulty, which will smooth out all the hills and provide a flat table on which to glide, I invite him to look at what happened in certain European countries which tried similar panaceas and landed themselves in an even bigger mess than ours, and ours is quite big enough.

Mr. Macgillivray—What countries have you in mind?

Mr. SHANNON—Germany for one, which from the time of Bismark has been under a dictatorship. These people who like to have their lives ordered from day to day so that they will know what the morrow will bring have tried it, but have not got any further than, or even as far as, we have. All Governments must learn to live within their incomes, just as individuals must do.

Mr. O'Halloran—How do you define their income?

Mr. SHANNON—They should not embarrass their yearly average income with an interest burden which will leave them with insufficient to carry on their affairs from year to year. We cannot turn out notes by machine and get away with it, although it would be much more convenient for me to have a £10 note in my pocket than ten sovereigns. My pocket would wear much longer, and perhaps I would not be encouraged to spend a "tenner" as easily as I would the sovereigns one at a time. Possibly uniform taxation is the most burning public question at the moment. The Commonwealth Government in its wisdom has said that it is prepared to revert to the system of the States collecting their own income tax, a system which operated prior to the introduction of uniform taxation in 1942. I was pleased to notice that some of the States, including New South Wales, had said it would be a good idea for the States to regain the power of collecting their own income taxation. Labor supporters have told us they were genuinely concerned to wipe out State Governments and get one Government for the whole Commonwealth—in other words, unification. I was worried about that, but I am now relieved of that worry, because we have had definite statements from Labor leaders that they favour the States becoming self-governing once more. Under uniform taxation we had undignified and unseemly wrangling in Canberra. The system of uniform taxation itself breeds such an atmosphere. It could not be otherwise. It seems to me that

the first move we must make is to get away from the condition which breeds that atmosphere.

Mr. Teusner—Who introduced uniform taxation?

Mr. SHANNON—A Labor Government in 1942. Probably the system was well-advised as a war measure, but it was definitely understood, if not promised, that at the conclusion of hostilities the rights of the States in this field would be handed back to them, but though hostilities ceased seven years ago it is only now that we are told that the Commonwealth Government is prepared to hand back this power to us.

Mr. Lawn—Does it mean it?

Mr. SHANNON—I hope it does, and I hope that the honourable member's colleagues in New South Wales and other States also mean what they say. If not, some of my fond hopes will have been dashed. I believe that to establish a sound and firm basis for Federation we must take certain steps, otherwise we shall go back to the pre-1942 days when the States and the Commonwealth both had the right to levy taxation in many fields, including income, land and probate duties, and we shall enter upon another such storm period as we have passed through. I am approaching this problem in an effort to suggest some method whereby future generations will not have to face this problem of the over-riding authority in Canberra out-taxing the States and so throttling them for finance. During the war years and since, high income taxation has been levied which, in some cases, has virtually left taxpayers with nothing with which to carry on their affairs. Some people, to meet provisional tax, have had to raise money on their assets. With the current tax in some instances amounting to 17s. or more in the £, no room is left for the State taxation authority to come in. The Commonwealth has taken the lot.

Mr. Pattinson—Could it not have done it before uniform taxation?

Mr. SHANNON—Yes, and that is why I want to propound some change in the taxation field which will avoid the possibility of the Commonwealth Government out-taxing the States.

Mr. Pattinson—How are you going to implement it?

Mr. SHANNON—First, I would ask the Commonwealth to step right out of the land tax field and leave it entirely to the States.

Secondly, I would suggest that the States collect all income tax upon incomes below a certain figure, and the Commonwealth have sole rights on incomes over that figure.

Mr. O'Halloran—Why not reverse the procedure?

Mr. SHANNON—That is just as good as far as I am concerned. I want to arrange some method whereby we shall arrive at a line of demarcation. The purpose is to keep the two taxing authorities in watertight compartments so that one cannot override the other and cannot so tax the people that there is nothing left for the States. In my effort to find a way of fixing a demarcation line, with the State having one sphere and the Commonwealth another sphere of taxation, I would set up a statutory body to investigate what has happened since we began uniform taxation, how much money has been collected, and how it has been spent—so much by the State and so much by the Commonwealth. There should be a properly constituted statutory authority representative of all the interests concerned. If a method could be devised to give one field of taxation to one authority and a different field to another, with everything being adequate for the purposes desired, some of the problems we have today would not recur.

The Hon. T. Playford—The Commonwealth obligation changes rapidly in war time.

Mr. SHANNON—I have provided for that. We have such things as booms in Australia, and there are inflated incomes. I remember how the price of wool rose to 240d. a pound. If the tax on the high incomes during the last few years should be accepted as the tax for the next few years, when those incomes may have fallen, it would be wrong. There must be some line of demarcation when fixing taxation fields. It is not beyond the power of man to devise some scheme. We have something of the sort happening today, in connection with the quarterly adjustment of the basic wage, when the "C" series is investigated to ascertain the increase or decrease in the cost of living. This is my scheme in regard to income taxation. I am not arrogant enough to say that my suggestion is the answer to the problem, but it is worthy of examination. The Commonwealth Government could afford to do away with its collection of probate duties. That collection could be left to the States. A State has the right to collect probate duties from its wealthy citizens. This is a field which the Commonwealth could well afford to quit, without doing any harm to its

finances. A *quid pro quo* must be found in the income tax scale I have suggested in order to balance out, and so that both Federal and State Governments would have adequate finances for their several purposes. I am not unmindful of the fact that the Commonwealth Government needs much money, and I do not forget what it has to do with its money. Both Liberal and Labor Commonwealth Governments have blinded me with science with the ease with which they have spent hundreds of thousands of pounds of money.

Mr. O'Halloran—The Commonwealth Labor Government had to fight a war.

Mr. SHANNON—Yes, and also a peace. It had a good go. Our people have not been at it very long. I believe the Labor Government did a good job, but those who go to Canberra in future will have to undo much of the damage done by the granting of social services. The payments in connection with those services now total more than was once the national income.

Mr. O'Halloran—What particular item would you cut out?

Mr. SHANNON—There is no doubt about members on the other side. As soon as it is suggested that there should be a reduction in expenditure they ask "What would you cut out?" First of all I would cut out the distribution of free milk to school children. I could show members the awful waste of milk that is taking place in South Australia, and I hate to think what is happening in some of the densely populated parts of New South Wales and Victoria. At present I will not indicate any further cuts. The Loan Council is an essential factor in the economic set-up of Australia. I am heart and soul in favour of our Loan Council system. I do not favour individual Governments fighting with each other to get the money offering: it would be foolish to do other than what we are doing. We would be playing into the hands of the big money people. We used to do it once, when interest rates were higher than they are today under our Loan Council system. The Loan Council is a logical and sensible set-up. I am happy about the safeguards which are provided when a disagreement occurs amongst members of the council. There is adequate provision for justice to be done. I would be the first to suggest that in these days we could well afford to stop some of our borrowings. Anyone with a knowledge of what is likely to happen in the next few years would do what I think nearly all private individuals are

doing. They are closing down on capital expenditure. In any warehouse in Adelaide selling steel products there are enough available to be taken away in a trailer by anybody who wants to buy those products. Some warehouses have whole shipments of goods available in sheds. The Port Adelaide sheds are cluttered up. There is much water piping and galvanized iron, and timber, available. Twelve months ago there was no trouble for a company to get a firm order from a client before it placed the order overseas for goods. Today the goods are landed here without there being any sort of order for them. This shows the decision reached by the rank and file in South Australia, and that they believe this is no time for lavish expenditure. If it is good for the individual it is good for the State. If we look back into history we will find that South Australia used to be in the happy position of having something available in time of need.

It will be recalled that South Australia was the first State in the Commonwealth to balance its budget following the depression years. That was achieved because we had followed a sound financial policy. The other States struggled along after South Australia had put its finances on an even keel. Today those States are suffering from the sins committed by their Governments during the 1924-28 boom period. If it is not careful this State will plant the seeds of similar trouble for our people 25 years hence. I am not concerned about having to keep down our expenditure to bare essentials this year. It is for the good of everybody that we should deal only with essentials. We should not put up one building we can possibly do without, and wherever practicable we should use the cheapest form of construction. For that reason this year the Education Department will use pre-fabricated materials in its essential building programme. I regard inflation as the most vital single factor of our present chaotic position. It is evident even to those who receive the quarterly increments based on the cost of living that each increment provides a springboard for the next one. The only goal which can be reached by continuing to grant such increases is that point at which the whole economy must crack and at which a state of emergency will be declared. Then we shall be back to a wage on which we can afford only bread and water. We would be fools indeed if we allowed that to happen here as it has happened in other

places or to think that we are God's anointed people and therefore it cannot happen to us. Inflation is eating at our very vitals and will continue to do so in larger bites until we remedy the position.

The first contributing factor to the inflationary trend is the greed in industry which has exploited to the limit the most profitable of all avenues in manufactured goods—luxury non-essential lines. Labour has been so diverted from essential primary and secondary industries as to cause tremendous shortages which will continue until action is taken. The people of this State are short of foodstuffs and houses, and I lay the blame for those and many other shortages at the door of those people who have selfishly sought to cash in on the boom by making goods that could be sold at exorbitant profits.

Mr. Dunks—Are there many such lines?

Mr. SHANNON—Yes, including wireless sets, motor cars, and refrigerators.

Mr. Dunks—Refrigerators are a necessity.

Mr. SHANNON—I do not agree and suggest that they are sold only by high pressure salesmanship and with the assistance of certain financial corporations which supply the means whereby such firms carry on. While her husband is at work the wife is told by a salesman that she is entitled to a refrigerator which will cost only £1 or 15s. a week, and she signs on the dotted line, the finance corporation finding the money necessary by discounting the purchaser's bills for the firm enabling them to carry on such a trade. Serious shortages have been created in essential manufactured materials and primary products, and our farming lands drained of young men and boys. In my district are scores of young men who work in Adelaide factories but who should be growing foodstuffs for the time is coming when Australia, if she does not provide a granary for her near neighbors, will cease to be Australia and become a part of Asia. On many farms fathers and grandfathers, many of them weak and weary, try to maintain production. There is no need for some of the luxury frills which have been foisted upon us by people seeking nothing but profit.

In some industries it has been customary for one employer to go in a friendly way to the employees of a competitor and say, "I will give you a pound a week more than you are receiving and I have a nice scheme for my employee by which they enjoy more privileges than you enjoy now. Come and work for me." How could that employer afford to offer

something which his competitor could not? I am talking of the "cost plus" times when the manufacturer had merely to say to the Prices Commissioner "Here is my list of costs and this is the price I must get to cover them," and the Prices Commissioner would approve the price asked, no account being taken of the benefits which eventually had to be paid for by the consumer.

Mr. Fletcher—Those costs were due to the black marketing of labour.

Mr. SHANNON—Yes, and, in view of the fact that they pirated labour from their competitors, I am amazed that such employers expect sympathy when times get hard. Black market labour cost many people much money but made profits for only a few. Another serious factor contributing to the inflationary spiral is price control. Under present legislation the Prices Department investigates the affairs of a firm applying for an increase in price and, if its books disclose rising costs, an increase is approved. It matters not one iota to any manufacturer today whether his management is efficient, whether he is careful to avoid leakages in costs, or whether he is using all available refinements. Part of the increased price approved may be due to increased costs which the manufacturer, because of his laxity, has failed to take care of.

The 40-hour week has contributed to the inflationary trend, and I am convinced that it is having a much more adverse effect than was expected even by those who opposed its introduction. In effect there is no 40-hour week as a working week, for prior to the last few weeks, during which there have been a few retrenchments, nearly all workers worked overtime. Manpower was in short supply and men were encouraged to work overtime at time and a half and sometimes double time penalty rates—costs which further increased the price of the finished commodity. Under our present price-fixing laws the employer need not worry how much overtime is worked for he will still receive his margin of profit. There may be a few cases where my argument does not apply, but by and large these people have very little concern about rising costs because the price-fixing system under which they operate does not require them to be efficient. I shudder to think what would happen if the 40-hour week were applied to primary industries. I would not hazard a guess what the price of milk, eggs, and flour might be.

Mr. Lawn—There is a 40-hour week in primary industries in some States.

Mr. SHANNON—I understand that in Victoria they have a shorter working week in primary industries than in South Australia, but I would hate to see the 40-hour week applied to the industries to which I have referred. I do not know what the price of butter would be. I suggest that not many people would be able to afford it, and little would be produced. The farmer could not afford to employ labour. If he did the price of his commodities would skyrocket and no-one could buy them. The next factor causing inflation, as insidious as it is harmful, is the darg, whether it be applied to skips of coal or bricks a day. One example shows what is happening to the unfortunate working man who wants a home of his own. Before the war a brick cost about a penny, and another penny to put in place. An average home requires about 20,000 bricks. Before the war it cost about £166 to buy those bricks and have them laid, but today it costs nearly £600. Bricks now cost about 3d. each.

Mr. Macgillivray—Would inflation have anything to do with the increase in the price of bricks?

Mr. SHANNON—Many factors have brought about inflation, as I am saying. They have all played their little part in building up the structure we are all so worried about.

Mr. Pattinson—It is a very dismal story.

Mr. SHANNON—It gets worse as it goes on. The treatment I propose for curing inflation may be considered a desperate one in some quarters. Firstly, I suggest longer working hours.

Mr. Fred Walsh—As long as the other fellow works the longer hours!

Mr. SHANNON—If we do not work longer hours we shall not work ourselves out of our troubles.

Mr. Fred Walsh—The workers would soon be out of a job.

Mr. SHANNON—I am surprised that the member for Thebarton thinks the more work a man does the less there is for the next man.

Mr. Fred Walsh—That happened in the depression of the 1930's.

Mr. SHANNON—That is the principle behind the darg. However, that principle brings about a state of affairs in which a man cannot get a job at all. What is the good of a basic wage of £15 to a man who is out of work? That will happen if the Labor Party decides that it is not in the interests of the worker to increase production. The workers would be the first to suffer.

Mr. O'Halloran—What should be the working week?

Mr. SHANNON—At least 44 hours. The next step in curing inflation is to increase man-hour output, which is much below normal standards in other countries. I was pleased to read that Mr. Aneurin Bevan had something to say about that. I admit I did not attach much value to his politics and thought that Mr. Attlee was sounder in his views, but I thoroughly agree with him on this issue. On one occasion Mr. Bevan advised his working colleagues that they would have to step up output to maintain existing standards. Mr. Bevan is a very influential man in the House of Commons and I was glad to see he was looking at facts and seeing them as they were and not through rose-coloured spectacles. I endorse the move made by the Federal Government to increase taxes on luxury and non-essential goods. Anyone in a position to afford them is a fair target for increased taxation. The funds received from taxation on luxury goods should be devoted to subsidizing food-stuffs and housing. Price control should be discontinued on both primary and secondary commodities. Competition would then become the basis of survival in industry. Today the Prices Branch is the protector of the average business man. If the Prices Branch were abolished he would then have to stand on his own feet. A gradual drop in prices would result.

Mr. O'Halloran—Can't they drop today?

Mr. SHANNON—If the necessity to drop prices is not taken away through competition how does the average human being react? Why does not the average bricklayer double his output?

Mr. O'Halloran—Because a different type of house is being built today.

Mr. SHANNON—Does anyone suggest that building a matchbox structure is more complicated than building the type of house erected in the last century?

Mr. Dunks—Many bricklayers work at the week-end.

Mr. SHANNON—The average bricklayer lays 300 bricks a day, as in duty bound. That is his darg; but on odd jobs at the week-end he lays 1,300 to 1,400 bricks without turning a hair.

Mr. O'Halloran—What law stops a man from selling his products below the fixed price?

Mr. SHANNON—No law, and there is no law preventing a working man from giving

his best in the service of his employer. A reduction in Government expenditure would greatly help in relieving the present inflationary pressure. If all Governments limited themselves during the next few years to bare essentials there would be a deflationary trend. They should cut out all frills. That would be a tremendous step forward, though I admit it would be most unpopular.

Mr. Macgillivray—Who is going to decide what is important for any specific district?

Mr. SHANNON—Some people are concerned with ghosts, particularly election ghosts. We should life price control on locally-produced or manufactured goods. I represent one of the biggest potato-producing areas in the State and this year there was a record crop. At Lobethal recently I attended the annual competition and the 11 competitors produced crops averaging 21 tons to the acre. It is estimated that this year's crop will average about 16 to 17 tons. Last year I had much bother with the Prices Branch in getting it to lift potato prices in order to meet competition from interstate buyers coming and buying potatoes under our noses. This year I am faced with the opposite problem. The Prices Branch has fixed the price of potatoes at £32 a ton and people cannot afford to buy them in quantities at that price, but if the growers had their way they would reduce the price in order to increase sales. Thousands of tons are being placed in sheds in the hills districts and some of them will rot before there is a chance to place them on the market.

Mr. Macgillivray—Has the Minister of Agriculture any control over potato prices?

Mr. SHANNON—The Prices Branch fixes the price. Members opposite believe that the panacea is price control, but actually under price control people are paying more than if there were no control. I have taken out a schedule of figures given in a speech by the chairman of Email Limited, which I understand has its headquarters in Sydney. He gives a comparison of the wages and hours in the United Kingdom and in Australia. For skilled labour the wage in the United Kingdom is £8 3s. a week and in Australia £13 8s., an advantage to the United Kingdom manufacturer of 64.4 per cent. For unskilled labour the respective wages are £7 2s. 7½d. and £11 18s., an advantage to the United Kingdom manufacturer of 66.9 per cent. The normal working week in the United Kingdom is 44 hours and in Australia 40. There are varying conditions as to holidays and days off

in the two countries. In the United Kingdom the normal hours worked per year are 2,147 and in Australia 1,880. The combined wage rates and the hours worked amount in the United Kingdom on an hourly basis to 3s. 11.4d. for skilled labour and in Australia to 7s. 4.9d., an advantage to the former of 87.6 per cent. For unskilled labour the respective figures are 3s. 5.4d., 6s. 7d., and 90.87 per cent. The figures are taken from *Jobson's Digest* of June 26, 1952. In the United Kingdom and Australia annual holidays with pay amount to two weeks. Paid public holidays in the two countries are six days and 10 days respectively, and whereas one week's paid sick leave is allowed in Australia, nothing is allowed in the United Kingdom.

Mr. O'Halloran—Why are imported goods from the United Kingdom much dearer than those manufactured in Australia?

Mr. SHANNON—This is due firstly to freight and insurance because of the distance the goods are carried, and secondly to the Australian policy of protecting local industries.

Mr. O'Halloran—I am talking about goods imported tariff free which in some cases are three times as much as those made in Australia.

Mr. SHANNON—I am a little worried because the South Australian Housing Trust has secured such large areas of land in the metropolitan area for future development. My view is that some of this land will not be required for many years, and money invested in it could well be used by the Government on essential works now waiting to be undertaken. Some of the land is carrying only a few head of stock. I have in mind Gray's Estate near the Reed Beds. Here some 2,000 acres were bought by the trust and are still being grazed, but I would hate to think what the return is compared with the capital cost of the land. Land was also purchased near Salisbury for a satellite town and is now being rented to the former owners, but I should prefer to see it passed back to those owners so that they could continue production as before. I am not sure that the trust has not already overbuilt houses for tenancy. In saying that I am not unmindful of the position at Port Augusta where more houses will be required because of developments taking place there: I am referring to the metropolitan area. We drained many people from our nearby country areas to live in the city at a time when work was offering, but what will happen when Actil Cotton Mills and other such firms say to 400 or 500 of their

employees "We will not want you any further." Anyone who thinks that such things will not happen fails to remember what happens at the least expected time, and it is always an inopportune time. It would be most inopportune for the State to have on its hands some hundred of untenanted houses built by the trust. It could happen very easily. I make a plea to the Government to see that in future any houses built by the trust are built for sale. I am a little concerned how some of these houses are financed. With inflated prices people paid a nominal deposit on these homes and if times become bad and they have to move they will say, "Although I have deposited £250 on the house, I will kiss that goodnight. I still owe £2,500, which is more than the place is worth, and I am walking out." That has happened before and to say it will not happen again is wishful thinking. I am not suggesting that the Government is being over confident, but the economic position in which these people will be placed will leave them with no alternative but to walk out. The blame will not be theirs. Hence I suggest that the trust move with great caution in future and take cognizance of what is happening in industry in the metropolitan area before going too far with its building programme.

Mr. WHITTLE (Prospect)— I have much pleasure in seconding the motion. My remarks today will be largely in relation to matters mentioned in the speech with which His Excellency the Lieutenant-Governor opened Parliament. Paragraph 2 of the speech referred to the untimely death of our late beloved sovereign King George VI., and the affirming of unswerving loyalty and devotion to Her Majesty Queen Elizabeth II. How profoundly grateful we must be to know that the change of monarch took place with such quiet dignity, no indecision, no fuss and no upset in our national life. How different from the personal and party strife that will take place between now and November over the election of a President in the United States of America. Perhaps we do not appreciate as we should how fortunate we are in being associated with the grand customs which have come down to us over the centuries. I do not want it to be understood that I am opposed to Party politics in our system of government. I believe that the Party system which does not go back nearly so far as Magna Charta has proved advantageous. Five hundred years elapsed before Parliament was effective to the desired extent in the national life of Great Britain.

It was not until early in the 18th century that the system was first introduced and it was not until then that Parliament really worked. The two-Party system operates in Parliamentary institutes in Great Britain, America, and Australia, and other English speaking countries. Our system of sovereign rule, under a monarch who is outside the realms of Party politics, is to be preferred, and we should be profoundly thankful that we operate under such a system. I support what His Excellency said regarding Sir Willoughby and Lady Norrie. The friendly interest they took in the lives of all people in the State was a part of their particular charm of character. Small instances can influence the general trend of the lives of some people. I am happy to be associated with the Boy Scout Movement in this State. Whilst Sir Willoughby was here the Boy Scouts and Girl Guides were privileged to go into the beautiful private garden at Government House in their annual act of loyalty to the sovereign. The way in which Sir Willoughby and Lady Norrie threw open the grounds of Government House for the benefit of those two movements, and to the delight of the boys and girls and their parents and friends, was part of their spirit of service and their desire to help worthy causes.

With great respect I support the remarks made by His Excellency regarding the late Mr. Leslie Duncan. He was a man who gave whole-hearted service to the affairs of his district and to the State. He had great regard for the welfare of his fellow men, and we all regret his passing.

In his illuminating address Mr. Shannon referred on broad lines to the financial affairs of Australia. I do not intend to say what I think should be done. I will content myself by saying that I have complete faith in the Treasurer of South Australia. I believe he will do better than any other man to lead this State through the strenuous financial days which are ahead of us. In graphic terms Mr. Shannon spoke about the unfortunate position which we are in because of loan money not being available for the continuance of important public works. I agree that there should be a halt in continuous spending. For the time being we should take stock of the position and see where we can postpone public works involving large expenditure. I am confident that everything will be all right in the hands of our Treasurer. I base that remark on the experience gained during the days of uniform taxation, and the experience of the days when the State raised its own revenue.

Despite the many predictions that there will be a different Government in South Australia in the near future, I must say, from my knowledge of what is in the minds of the people, that after the State elections in 1953 our financial affairs will be in the same capable hands as now. His Excellency spoke with a degree of satisfaction about the economic position of South Australia and said that it remains sound. I hope that it continues to be sound. By putting first things first and doing only the essential things, we can rest assured that our economic position will be as high as the position in any other State in the Commonwealth. His Excellency also referred to our primary industries. According to the principles on which the Liberal and Country League is established, South Australia is a primary producing State. The prosperity of our primary industries determines the prosperity of the State generally.

Mr. Macgillivray—Is that why many people are leaving the country?

Mr. WHITTLE—There is always an exodus of people from the country. After bearing the heat of the day in the country they prefer to spend the rest of their life in the city.

Mr. Macgillivray—The number of wheat farms has been reduced.

Mr. WHITTLE—Probably the honourable member is right, but it must not be forgotten that the high prices of wool in recent years have caused wheat growers to change to wool growing. Not so much labour is needed on farms now as was the case 20 years ago.

Mr. Macgillivray—You cannot do without human labour.

Mr. WHITTLE—No, but a farmer can today live in Prospect and work a farm at Roseworthy. Even in the country the house is not on the farm. Recently I passed through Keith and I asked why so many new houses were being built in the town. I asked whether they were for artisans or tradespeople, but I was told they were for farmers who preferred to live in the town. Many farmers on Yorke Peninsula and in the Lower North prefer to retire and live in the city instead of living in nearby towns where the same amenities are not available.

Mr. Macgillivray—That does not apply in my case.

Mr. WHITTLE—No doubt the honourable member prefers to live in the country where his home is, but everybody does not look at it that way. It cannot be said that the Playford Government has encouraged the drift to the city. The pyrites industry is being established at Nairne and, encouraged by the Government,

a cement industry at Angaston. The record of the Playford Government is a sufficient answer to any question regarding the worth of its work. The Railways Department is to be commended for the service it is providing, and it must be borne in mind that present-day transport organizations cannot hope to keep pace with rises in cost. The workers at the Islington workshops have made a splendid job of the diesel-electric locomotive, the first of its type to operate in Australia. The improved coaches on the Melbourne Express are an inducement to people to support the railways and are a fine illustration of what can be done by trained fitters and mechanics.

Mr. O'Halloran—Do you agree with Mr. Shannon's contention that those men should work longer hours?

Mr. WHITTLE—We on this side of the House have the privilege of being able to disagree with each other on every point except whom we want to govern for the good of South Australia. Apart from that, there may be many ideas on any one subject. I agree with Mr. Shannon when he says that the Housing Trust should review its policy on the provision of roads in its housing areas. Although I realize there are hundreds of people wanting houses, I point out that hundreds of people have been housed in areas where the state of the roads makes access very difficult. The Housing Trust should give more consideration to the councils, particularly those of Enfield, Woodville, West Torrens, and Marion, where these housing estates have been opened up. Much of the new land is low-lying and requires underground drainage. More roads will be required before the completion of the housing programme in the Enfield district and the council should not be expected to have to provide for the construction and maintenance of these roads from its ordinary revenue. Recently at Ryde, in New South Wales, I was impressed by the fact that the Housing Commission was laying down the roads before erecting houses.

Mr. O'Halloran—New South Wales have a Labor Government which is building three times the number of houses built in this State.

Mr. WHITTLE—That State has a much bigger population to build for. I only wish that road construction in our housing areas was as advanced as that which I saw at Ryde. In Enfield Heights are excellent roads which have been constructed by the combined efforts of the Enfield Council and the Housing Trust, but the lower land toward the railway line is a

quagmire, and I believe the position at Woodville Gardens is even worse. Councils are using new plant provided interest-free by the Government, but more assistance should be given.

Recently in North Queensland I was impressed by the wonderful supply of hardwoods, but I consider that in our softwood areas the supply is cared for in a more workmanlike manner, for I thought that much of the Queensland timber wasted in firing could have been used for some other purpose. In northern New South Wales pine forests could be seen from the train, but they did not compare with our splendid South-Eastern forests.

It has been stated that the construction of the Mannum-Adelaide pipeline may be further delayed. Had our hills water supply been developed more effectively we would not now be looking for the supply of River Murray water to Adelaide. I predict that if we have normal spring rains this year more water will flow over the Mt. Bold dam than is impounded behind it, as was the case last year. The sooner our engineering experts can select a suitable site for another dam above or below Mt. Bold the better. A greater supply of good water from the Mt. Lofty ranges would be assured. I think the Minister told us when Mt. Bold was constructed that Adelaide's water supply has been increased by 150 per cent at an additional cost of only 10 per cent. The same reticulation system was used and if another dam were built an extra storage would be provided and the same pipelines in the metropolitan system could be used. I plead with the Minister and his engineers to give this matter special consideration.

The Hon. M. McIntosh—All those things are being investigated.

Mr. WHITTLE—They have been mentioned in the Governor's Speech on two or three occasions, but nothing definite has been done.

The Hon. M. McIntosh—We are giving No. 1 priority to the South Para scheme.

Mr. WHITTLE—I do not know much about that scheme, although I believe it is an excellent proposition, but that does not do away with the fact that last year more water ran over the Mt. Bold weir than was held behind it. I am glad that the Lieutenant-Governor's Speech mentioned improved hospital accommodation. I am a frequent visitor to two sanitoriums and congratulate the Hospitals Department on the splendid improvements made to chalets and wards at Bedford Park and Kalyra. The patients and staff appreciate what has been done. The installation of glass louvres has

transformed buildings that were dingy and draughty into bright and comfortable structures. I pay a tribute to the committee that worked so hard and successfully for the establishment of the Northern Community Hospital on the Main North Road. In December last the committee approached the Minister of Health, who made a similar offer to that which he made to other committees proposing to establish community hospitals in other suburbs. A valuation of £21,000 was placed on the hospital and the Minister of Health said if the committee raised half that amount the hospital could be purchased. Largely as a result of the enthusiasm of the then Mayor of Prospect, Mr. Charles Williamson, and the Mayor of Walkerville, Mr. Howard Dayman, the hospital was purchased. In addition to the £10,500 required, a further £2,000 was raised by the community with the assistance of the British Tube Mills and the Islington Workshops Committee. That is a fine effort. The hospital was the only one catering for maternity cases in the northern area, apart from McBride's.

The development of the uranium mining project at Radium Hill has been overshadowed to some extent by the Commonwealth's proposal to develop Rum Jungle. However, the importance of Radium Hill must not be overlooked. Most people would agree that the first steps taken to win uranium ore were taken by this Parliament, particularly by our Premier. Although the Commonwealth Government has found what is perhaps a more valuable deposit no credit should be taken from the Premier. Perhaps if he had not gone to America on his own volition 12 months ago the development of Rum Jungle would not have taken place. I regret that through shortage of Loan moneys the projected extensions to the Nailsworth Boys' Technical School cannot be undertaken. I have been chairman of the council of the school for some time. I pay tribute to the Education Department for its excellent work in providing temporary rooms and workshops, though they will probably never be taken away as the area north of Enfield is growing rapidly. Apart from the migrant camp, thousands of houses are being built and probably the Nailsworth Boys' Technical School will accommodate 500 pupils before long. Therefore, all the temporary buildings will be required. It is unfortunate that, although the permanent brick extensions were approved by the Public Works Committee, it is not possible to

build them through lack of funds. When members are driving along the Main North Road they should note the aluminium frame building which has been erected as a primary school at Enfield. It was brought out in sections from England and will fill a tremendous need, because the main Nails-worth School is so over-crowded. This school will be opened this year or will be ready by the beginning of 1953. I pay a tribute to the self-denying services of ministers of religion, priests, and others who attend our schools to give scripture instruction. They take a delight in doing the work, but it is to be regretted that they receive no recompense for travelling expenses. None has ever told me that he wants it. As ministers of religion they are not well paid, and it is unfortunate that they have to bear the travelling expenses themselves. However, this makes the service they render to the boys and girls all the more commendable. It was stated in the press that neither Mr. Shannon nor I had previously been asked to either move or second the motion for the adoption of the Address in Reply to the Governor's opening speech. It so happened that in 1938 I moved the motion and in that speech I said it was desirable that there should be religious instruction in State schools. I am not suggesting that religious instruction in schools was introduced as a result of my speech, but every little helps. I do not know any teachers who are antagonistic to this instruction. Most of them co-operate with the ministers in this great work.

In referring to the Municipal Tramways Trust, I do not intend to say a word about the future management of the trust. That rests entirely with the local governing bodies concerned. The Premier has submitted a proposition to them and it is for them to come to their decision. There is much misunderstanding about the origin of the committee which was appointed to inquire into the trust's operations, and there has been a great deal of loose thinking about the way the tramways have been managed.

Mr. O'Halloran—That statement is about as loose as the way the tramways were conducted.

Mr. WHITTLE—The honourable member is repeating what is often said outside. From what some people say one would think that the tramways have been a losing concern from their inception. Few people outside realize that since its inauguration the trust has paid back to the Government £1,639,000, which has

been used to obviate the raising of more money by loan. This money has been ploughed back into the undertaking.

Mr. O'Halloran—Mainly to meet deficits.

Mr. WHITTLE—No. That money has been reinvested in the tramways. I was a member of the trust until 1938, but when I was elected a member of this House I came to the conclusion that my job was here, and as I thought I could not look after both jobs effectively I resigned from the trust. I am not throwing stones at those who have since been faced with the responsibility of running the trust.

Mr. O'Halloran—It was not sound even in 1938.

Mr. WHITTLE—In that year, after meeting all operating expenses including renewals, interest, sinking fund, etc., the tramways made a clear profit of more than £2,000.

Mr. O'Halloran—That was after a reconstruction in 1927 which completely changed the financial structure of the tramways.

Mr. WHITTLE—Nothing was wiped off in 1927.

Mr. O'Halloran—The trust was given a much longer period to meet its obligations. Are you in favour of a longer working week?

Mr. WHITTLE—I think a great deal more work could be done than is being done in a 40-hour week. The question of the working week is one for the court to decide.

Mr. O'Halloran—You would not give evidence in the court in favour of a longer working week?

Mr. WHITTLE—No. As a matter of fact, I do not think I work in the aggregate 40 hours a week. I will give figures to illustrate the effect of higher wages on the financial stability of the undertaking. In 1938 the basic wage was £3 15s. a week and in that year the total revenue of the trust was £690,000 and outgoings amounted to £688,000, including interest, sinking fund payments, and reserves for renewals. In 1942 the profit was £10,000 and in 1943 it was £4,800. There was a profit in every year from 1942 to 1946, inclusive. Only since 1947, when we have had huge increases in the basic wage, have the financial affairs of the trust gone the wrong way. Last year there was a loss of £528,000 and it brought the accumulated deficit to £1,332,000.

Mr. Pattinson—There were heavier loadings between 1942 and 1946.

Mr. WHITTLE—Yes, during the latter years of the war when motor cars and petrol were not easily obtainable, and when more people were forced to use the trams.

Mr. Pattinson—Not only the increases in the basic wage have brought about the present financial state of the trust.

Mr. WHITTLE—Yes. People say that when fares are increased the finances of the trust are reduced.

Mr. O'Halloran—The trust has lost over 20,000,000 passengers since fares were first increased.

Mr. WHITTLE—Every time there has been an increase in the fares the revenue has risen. The latest move by the trust shortened the length of sections, but it has the same effect as increasing fares. As a result of that move it was estimated that the revenue of the trust would be increased by £100,000. Regarding the basic wage rise to take effect from August 1 next, every 1s. will mean an additional expenditure by the trust of £104,000, as every 1s. increase in the basic wage costs the trust £8,000.

Mr. Hutchens—You are advocating a reduction in wages.

Mr. WHITTLE—No. I have not been a member of the trust since 1938, and I do not say that all the present members are fools. I do not say that Sir William Goodman was a fool, although that he may have been at the helm too long. Every tramway undertaking in Australia has been losing money, and it is wrong to blame men who do their best. In view of the terrific increases in the basic wage it would have been impossible for the undertaking in South Australia to pay its way. It has been said that the members of the trust were fools to put up fares, and that people would no longer travel in the trams, but each time there has been a fare increase there has been a rise in revenue, and that is what the trust is interested in. I think it was justified in raising fares in an attempt to make things pay. From 1908 to 1924 the tramways paid. It was not until then that there was bus competition, and it took Parliament three years to wake up to the need to take action to protect the trust. A Labor Government was in office at the time.

Mr. O'Halloran—It did a good job.

Mr. WHITTLE—It should have brought the matter forward early in the session instead of

leaving it until about the middle of December. We hear a lot in these days about the need for Parliament to meet in the early part of the year. In those days Parliament did not meet until about July 24 and the important matter dealing with the protection for the trust was not brought in until about the middle of December.

Mr. O'Halloran—Why wasn't it brought in by the previous Liberal Government?

Mr. WHITTLE—There was not the same bus competition. That was the only time an attempt was made to amend the legislation. The offer made by the present Premier to the constituent councils is a fair one.

Mr. O'Halloran—Which section of the offer do you support?

Mr. WHITTLE—Personally I think it would be a good idea for the councils to have control of traffic matters, except tramways.

Mr. O'Halloran—To have the right to licence buses in competition with the trams?

Mr. WHITTLE—Some of the private bus services have been well managed. I do not think all suggested in the third section of the offer should be accepted. I am not authorized to speak for my council and I can only express a personal view. My chief reason for bringing this matter forward is that there has been a lot of muddled thinking amongst the people. One member of the City Council said that there has been much ballyhoo about the financial affairs of the trust. It has been said that those affairs have been allowed to drift, but I think there has been an avalanche brought about by the tremendous basic wage increases.

We have difficult times ahead of us in South Australia, but with our Premier and Treasurer at the helm I am satisfied that we will get through them as well as any other State in the Commonwealth will get through its troubles, and so preserve our prosperity.

Mr. O'HALLORAN secured the adjournment of the debate.

ADJOURNMENT.

At 5.31 p.m. the House adjourned until Wednesday, July 23, at 2 p.m.