

**HOUSE OF ASSEMBLY.**

Thursday, August 20, 1953.

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

**QUESTIONS.****SPEED LIMIT ON HEAVY VEHICLES.**

Mr. O'HALLORAN—In the course of my recent visit overseas I found that in England and America a fairly severe speed restriction was imposed on heavily laden motor vehicles, ostensibly for the purpose of protecting the roads. Can the Premier say whether his Government has considered the imposition of a speed restriction which would more adequately protect our roads than is the case at present? If this question has not been considered, can it be referred to the State Traffic Committee for consideration and report?

The Hon. T. PLAYFORD—Under the Road Traffic Act fairly comprehensive limits are placed on heavy vehicles to prevent their unnecessarily damaging road surfaces. The difficulty in this matter has been largely one of policing, for, once a vehicle gets out on to country roads in a clear area, the driver can see the road far ahead and, with the aid of a rear vision mirror, far behind, and it becomes difficult to apprehend a person who may be exceeding the speed limit. We have much evidence that the limit has been exceeded on many occasions and have asked the police to pay particular attention to this matter, but it is very difficult to police it. However, I am happy to accept the suggestion of the Leader of the Opposition, and will see that the whole matter is again placed before the State Traffic Committee as to whether any further amendments to our laws are advisable, and in due course will advise him of its report.

**SOUTH-WESTERN DISTRICTS HOSPITAL.**

Mr. PATTINSON—In 1949 the South-Western Districts Hospital Committee was formed, consisting of the mayors and medical officers of health of Unley, Mitcham, Marion, Brighton, Glenelg, and West Torrens councils, and the House of Assembly members for those districts, with myself as chairman, to advance a proposal for the construction of a Government hospital to serve the needs of the rapidly increasing numbers of residents of the south-western suburbs. At the request of the committee the Government purchased nearly 50 acres of land at Oaklands as the site for the

proposed hospital. On October 19, 1949, in reply to my question in this House, the Premier said:—

It may be some time before it is possible for the Government to go ahead with the project, but it does mean that the Government is committed to the project.

Can the Premier say whether, in view of the extraordinary growth of population in the metropolitan area—particularly in the suburbs surrounding this site—the Government will consider referring this project to the Public Works Committee, even if only for preliminary investigation?

The Hon. T. PLAYFORD—I remember very well the circumstances which led up to the purchase of the hospital site, and the great part played by the member for Glenelg in advancing that cause. The Government was pleased to purchase the land at that time. It was a valuable site and, as was pointed out by the committee, had it not been acquired it would probably have been built over and lost for all time, leaving us with the necessity for a hospital and no land on which to build it. At that time the Government said that the purchase of the land did not necessarily connote that we would be able to proceed with the construction of the hospital forthwith. As a matter of fact, almost at the same time as it purchased the land the Government assisted two of the areas to establish small community hospitals. That assistance was given on the basis that it would not be possible to go ahead immediately with the Government hospital. We are committed to a large work in the general section of the Western Districts hospital and it is taking a large part of the finance available for hospital purposes. I will ask the Chief Secretary if it is now possible to consider plans and specifications, and advise the honourable member in due course.

**REFUND OF MOTOR REGISTRATION.**

Mr. JENNINGS—I was recently approached by one of my constituents who had a vehicle registered with the Motor Vehicles Department. For reasons best known to himself, perhaps, he decided not to use the vehicle any more so he took the registration disc back to the department and applied for a refund of the registration covering the period still remaining. It was refused and he was told that he could only get a refund if he transferred the ownership of the vehicle to someone else. I am also told that in these circumstances insurance companies will make a refund on the

insurance. Can the Premier say if the regulation is being interpreted by the department as intended and, if so, will consideration be given to amending the law so that a person can de-register his vehicle when he wants to and get a partial refund of registration fee?

The Hon. T. PLAYFORD—I am certain that the regulation is being strictly observed by the department. Anyone with a knowledge of Mr. Walker knows that under no circumstances would he deviate one fraction from the legislation passed by Parliament for his guidance. The circumstances of a refund on the purchase of a vehicle are somewhat different and I believe they involve the new purchaser in paying the amount of the refund. I fancy that the two cases are not analogous. I will investigate the matter for the honourable member.

#### PRESERVATION OF TREES.

Mr. HAWKER—My question relates to the sponsoring of tree planting by the Premier recently. Can the Minister of Railways say whether instructions are given to gangs that burn off railway land to take the greatest care that trees growing alongside the line are not damaged when burning, especially in the more treeless sections?

The Hon. M. McINTOSH—If they knew my views regarding the growth of trees, and those of the Acting Railways Commissioner, they would be failing in their duty if they did not take every care. I do not think it is wise to issue a general instruction to people not to do something which they have not been in the habit of doing. If the honourable member can give me any information about any gang operating in that way I will see that the matter is taken care of.

Mr. Hawker—I will give the Minister some information.

#### UPKEEP OF ROADS.

Mr. MACGILLIVRAY—At present it is all too common to blame the road user for the deterioration of roads. On the other hand he is in the class that is specially taxed and there is no justification at all for the tax unless the money is used specifically for the building up of roads. Will the Premier take up the matter with the Commonwealth Government and see that the £70,000,000 odd that is paid each year into the Commonwealth coffers for the purpose, ostensibly, of building up highways, is remitted to the States, on a population basis or by some other method, so that the money raised by taxing the motorists will be used for the purpose for which it is ostensibly collected?

The Hon. T. PLAYFORD—For many years now South Australia has adopted the practice of paying into the Highways Fund all moneys collected from motor registrations and drivers' licence fees, less the cost of collection and a few other incidentals. That is not a defined principle in taxation, but rather an unusual practice. For instance, we do not pay into a special fund for the benefit of hotels the money paid for hotel licence fees, or pay into a fund money paid in succession duties for expenditure on a particular purpose. Normally the principle is that all funds are paid into general accounts of the State, from which Parliament appropriates amounts for the purposes for which money is needed, but in practice this State has segregated the money in question for the roads. Later this afternoon the matter will be brought forward in a minor way. Speaking from memory, the Commonwealth Government pays back to the States about 3d. a gallon from the 5½d. a gallon it collects on petrol. It is paying back to the States £12,000,000 to £13,000,000 a year and taking into general revenue about £11,000,000. These are general figures and the honourable member must not hold me to them. This matter was raised last week at the Premiers' Conference, when the States requested the Commonwealth to return a larger proportion of the money collected. The States pointed out that because of the oil distilleries being established in Australia the revenue collected would not be nearly so much and the road account would be bereft of some support. We asked for a review of the matter now, whereas under the present agreement it would not be normally reviewed for another two years. The Prime Minister did not give an affirmative answer to our request. He conceded that there would be very strong grounds for analyzing the position when the refineries came into operation, and said he would see that the matter was discussed in time for the new agreement to be negotiated before the old one expired. At present I do not believe that the Commonwealth will make additional moneys available from this fund. For the honourable member's information, the money is not distributed on a population basis, but on a population plus area basis.

#### HOUSE BUILDING COSTS.

Mr. DUNNAGE—We are all concerned about the increased cost of homes in this State and the position is getting to the stage where people in the lower income groups will soon be unable to buy homes. Did the Premier

during his visit overseas, study any new home-building activities which may have been developed since his last visit with a view to reducing costs?

The Hon. T. PLAYFORD—I did not have the opportunity to make a close study of this matter, but in Great Britain and Europe costs have been reduced somewhat by the building of enormous blocks of flats. The accommodation for persons housed in those flats is somewhat cheaper than that provided under our method, where every house has its own block. In America I found that it was not unusual for an employee on the lower salary scale to be paying as much as the equivalent of £8 a week for his accommodation. Some flats which I investigated and inspected were designed for very low rental and were held up as a model of low rentals, yet the rent was equivalent to £6 a week. We get back to two factors. Firstly, at least half the cost of a house represents direct labour charges, and it is a matter of the efficiency of our labour and the scale of payment for labour what the ultimate cost of a house will be. Then there are the indirect labour charges for the manufacture of cement, bricks and other materials, all of which have a high labour content, which make the total labour costs much higher. This year the Government finds that it is getting more competitive building contracts and that prices are more in accordance with estimates, and we believe we are getting much better value for our money compared with the last two or three years. If that is general, it will have its bearing on the cost of houses.

#### DRAINAGE OF DISMAL SWAMP.

Mr. FLETCHER—Last night during the debate on the Loan Estimates I referred to the drainage of Dismal Swamp into the Glenelg River, Victoria. Can the Minister of Lands say what progress has been made on this scheme?

The Hon. C. S. HINCKS—I believe this project was first suggested about 1914. Several years ago the honourable member again brought up the matter and the Government was able to arrange a conference at Mount Gambier with the Victorian Government to discuss this problem—and it is a problem because of the nature of the ground between the Swamp and the Glenelg River. The conference was most satisfactory and surveys were made of the area and designs recently completed, and in the near future another conference will be arranged with the Victorian Government to discuss the matter further.

#### TRAMWAYS STRIKE.

Mr. DUNKS—I understand that a conference was held yesterday between the executive of the Tramway Employees Union and the General Manager of the Municipal Tramways Trust concerning the discontinuance of the running of small trams known as “Bouncing Billies,” and according to the press the general manager’s reply was that very shortly the trust intended to discontinue their use. I believe the opening of a bus service on the Kingswood-Findon route has something to do with it. Has the Premier’s attention been called to the present strike? Considering that the Government has taken upon itself the responsibility of helping to finance the trust and the Premier, as Minister of Industry, must realize just what the strike must mean to tramways and to the commercial community in the city, and as the taxi proprietors are reaping a rich harvest without restriction, would he be prepared to permit private bus owners to handle the traffic until the tramway men return to work?

The Hon. T. PLAYFORD—As the question involves a matter of Government policy and may involve a legislative change in the present set-up, will the honourable member put the question on notice and I will try to have an answer for him next Tuesday.

#### PUBLIC SERVICE SALARIES.

Mr. O’HALLORAN—Has the Premier any further information to give in reply to my recent question concerning the reclassification of Public Service salaries by the Public Service Board?

The Hon. T. PLAYFORD—I have received the following report from the Public Service Commissioner:—

The claim lodged with the Public Service Board by the Public Service Association for salary increases for all public servants was based on two main grounds. These were:—

(1) That since the rates were last fixed the purchasing power of the marginal rates had been reduced; and (2) that by comparison with rates elsewhere the rates were too low. The board, after a great deal of evidence had been presented by association and Government advocates, decided to defer the claim based on the reduced purchasing power of money until a decision had been given by the Federal Arbitration Court on a reference to the court by the Commonwealth Public Service Arbitrator of a similar claim by various unions having members in the Commonwealth Public Service. The board decided that a case had been made out on the principle of comparative wage justice for increases for officers in the automatic range of assured promotion and

for certain senior officers in various departments. The return incorporating these increases was published in the *Government Gazette* of January 15, 1953, and operated from January 3, 1953. The claim for an increase for other officers on this ground was refused.

A return incorporating certain increases for adult female officers was published in the *Government Gazette* of July 23, 1953, and operated from January 3, 1953. Subsequently the Public Service Association made further representations to the board in respect to male officers whose claim on the grounds of comparative wage justice had been rejected by the board. This is under consideration. As stated above, the claim for a general revision of salaries to meet the reduced purchasing power of money has been deferred for the reason stated.

#### LAND SETTLEMENT.

Mr. MICHAEL—I am frequently approached by people with capital to invest seeking land from the Government for development. During the past year or two on my trips to the South-East I have been impressed with the development going on in the hundred of Bonney just south of Meningie. On the last trip I asked the member of the Land Board accompanying us if he could obtain for me particulars of the development that has taken place there. It is an area which in my opinion is one of the least attractive in the South-East. Will the Minister of Lands have an investigation made and see if there is land in that area that could be allotted to people desiring land to develop?

The Hon. C. S. HINCKS—Yes.

#### URANIUM WORKS FOR WALLAROO.

Mr. McALEES—I understand that South Australian Refractories Limited will not be continuing operations at Wallaroo, but the plant there is worth over £70,000. It is on a valuable piece of land measuring about 43 acres. Would it be possible to establish uranium works at that factory instead of going to the expense of locating them at Port Pirie?

The Hon. T. PLAYFORD—No. Port Pirie was chosen as the site for two main reasons. Firstly, it was the nearest seaport linked by rail to the mine, and railway freights play an important part in shifting large bodies of ore. Secondly, there will be available at Port Pirie in the future large tonnages of sulphuric acid, for which a plant is now being erected to catch the gases now escaping from the smelters. Sulphuric acid is one requirement for the chemical processing of the ore. Under those circumstances it would not be feasible to transfer the plant from Port Pirie to Wallaroo, but

if the honourable member has a conference with his colleague, the member for Port Pirie, and they reach any agreement on the matter I will consider any recommendation they submit.

#### SCHOOL-LEAVING AGE.

Mr. MACGILLIVRAY—Has the Minister of Works obtained a report from the Minister of Education regarding the question I asked on August 11 about raising the school-leaving age?

The Hon. M. McINTOSH—I have not yet received a report, but I have conferred with my colleague. There is a lot more involved in this matter than merely saying "Yes." For instance, there are the questions of the extra teachers, extra accommodation, and extra costs involved. I am pleased to say that the Minister of Education has informed me that parents of today are quite voluntarily leaving their children at school for a much longer period than hitherto. The question of compulsorily raising the school-leaving age is, therefore, of not such importance as it was.

#### WALLAROO DISTRICT FORESHORE DAMAGE.

Mr. McALEES—Can the Minister of Marine say when the committee investigating foreshore storm damage will visit Moonta Bay and Wallaroo? The councils and committees concerned in the district are getting anxious. A fair amount of damage has to be repaired and seeing that repairs are being effected at metropolitan beaches they fear lest they be chopped out of their fair allowance.

The Hon. M. McINTOSH—I would like to refute any suggestion that because the committee has not yet visited the Wallaroo district the district will be chopped out of its fair allowance, for that is not the object of the committee. It includes four of our highest ranking officers and they will see that the amounts allocated will be spent fairly, and that every part of the State receives its fair share. I do not know when the committee will be visiting Wallaroo, but I will make enquiries.

#### CONSTITUTION ACT AMENDMENT BILL (No. 2).

His Excellency the Governor, by message, recommended to the House the appropriation of such amounts of the general revenue of the State as were required for the purposes mentioned in the Constitution Act Amendment Bill (No. 2).

The Hon. T. PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend sections 65 and 66 of the Constitution Act, 1934-1951.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

### SUPPLY BILL (No. 2).

The Governor, by message, recommended the House to make provision by Bill for defraying of the salaries and other expenses of the several departments and public services of the Government of South Australia during the year ending June 30, 1954.

The Hon. T. PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of Supply.

Motion carried.

In Committee of Supply.

The Hon. T. PLAYFORD moved—

That towards defraying the expenses of the establishments and public services of the State for the year ending June 30, 1954, a further sum of £6,000,000 be granted: provided that no payments for any establishment or service shall be made out of the said sum in excess of the rates voted for similar establishments or services on the Estimates for the financial year ended June 30, 1953, except increases of salaries or wages fixed or prescribed by any return made under any Act relating to the Public Service, or by any regulation or by any award, order, or determination of any court or other body empowered to fix or prescribe wages or salaries.

Resolution agreed to, adopted in Committee of Ways and Means, and agreed to by the House.

Bill introduced by the Hon. T. Playford and read a first time.

The Hon. T. PLAYFORD (Premier and Treasurer)—I move:—

That this Bill be now read a second time. The Bill is precisely the same as previous Supply Bills introduced at this stage of the session. No outstanding matters are included in it. The Governor's Appropriation Fund is not sufficient to meet salaries for one week, and it is therefore necessary to grant additional supply before the Budget is introduced.

At the Premiers' Conference last week the matter of State reimbursements was discussed and the State Budget is in a fairly advanced state of preparation. I hope to introduce it in the relatively near future.

Mr. O'Halloran—Could you give us a more positive date?

The Hon. T. PLAYFORD—I would like to, but the Budget contains about 10,000 lines, which involves much printing, and then there is the checking to be done afterwards. From experience I have learned that members like to have the Auditor-General's report available before the Budget is discussed, and I do not know when that report will be ready. Much of the work in preparing the Budget is completed. In South Australia we have a remarkably capable Treasury staff, and I pay a tribute to Mr. Drew and his assistants for what they do. They carry out their duties magnificently. The Bill provides for the further supply of £6,000,000, which in these days is the usual amount. Present appropriations of funds will run out about the 26th or 27th August, and the passage of the Bill today would enable it to be considered by another place and assented to without causing any dislocation in the public services.

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

### PASTORAL ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 12. Page 338.)

Mr. O'HALLORAN (Leader of the Opposition)—I do not object to the Bill but would have appreciated more information on the circumstances surrounding the Act which increased the number of members of the Pastoral Board to four. Three years ago it was decided to increase the personnel of the board by one so that it could perform the task of the Commonwealth in acting as a land court in the Northern Territory. In his second reading speech the Minister indicated that up to the present the board has not been requested to function as a land court. We are not much concerned with what the Commonwealth does in its territory, but I desire to know whether the additional member, whose appointment was approved three years ago, has been appointed or whether this Bill is designed to keep that provision alive in case the Commonwealth does desire to use the board as a land court?

The Hon. C. S. HINCKS (Minister of Lands)—The additional member has not been appointed. In 1950 it was expected that it would be necessary for the board to act as a land court in the then near future. The Commonwealth now believes that it will be necessary for this board to operate shortly and the Bill is designed to enable the appointee to hold office after the Act expires on December 31.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Additional member of board."

Mr. BROOKMAN—Is the arrangement with the Commonwealth that the board will act as a land court a permanent arrangement and is it intended that the fourth member of the board will become a permanent member in the sense that present members are? Under the 1950 amendment the appointment would lapse at the end of this year.

The Hon. C. S. HINCKS—The 1950 Act expires in December and it is expected that the board will be soon established as a land court and it will be necessary to appoint another member to the board because it will be absent so often on this job.

Mr. Brookman—Is the land court to act indefinitely?

The Hon. C. S. HINCKS—That is in the lap of the gods. So long as there is work for the board to do it will continue.

Clause passed.

Clause 4 and title passed.

Bill reported without amendment and Committee's report adopted.

#### PUBLIC PURPOSES LOAN BILL.

Introduced by the Hon. T. Playford and read a first time.

The Hon. T. PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time.

The Bill gives effect to the Loan Estimates which were passed by this House yesterday and to that extent is identical with other Bills dealing with Loan Estimates. The first schedule is the normal schedule and the second schedule sets out the estimated expenditure of £27,618,000. The Bill is not precisely the same as other Loan Bills, because clause 12 is entirely different from any previous provision. It deals with two things not previously dealt

with in loan appropriation. Although the State was a signatory for a long period of the Commonwealth-State Housing Agreement it did not operate under it, but is doing so now, and £4,500,000 will be credited to the State this year to be used for the building of houses.

Clause 12 deals with authority to expend the money received from the Commonwealth. It has been held, I think properly, that as this money has been voted for expenditure by the State the control and expenditure of it should be governed by the State Parliament. Although we are obliged to spend the money in accordance with the agreement, nevertheless the appropriation of the money is subject to State appropriation and it has been included in the Loan Estimates and also the Bill so that it will be clearly understood that this money is being borrowed by the State and used for this purpose.

Mr. O'Halloran—It has been held that the original appropriation of 1945 is not sufficient.

The Hon. T. PLAYFORD—It is not sufficient to cover every possible subsequent loan. From the point of view of Parliamentary procedure I think the honourable member will agree that the proposed procedure is proper. Clause 12 deals with another matter which had not been dealt with before and relates to money made available under the Commonwealth Aid Roads Agreement. Previously this money has been automatically voted to the Highways Fund. I doubt whether that is strictly legal, and think that view would be held by the Crown Solicitor and the Auditor-General. To make the position clear clause 12 sets out that the money voted for housing purposes and the money which becomes available under the Aid Roads Agreement shall be shown in the Appropriation Bill and duly passed by the House. Honourable members will notice that the clause is somewhat of a departure, and I think it is a wise departure. The Bill provides that the money is readily appropriated for the purposes for which it has been voted. It has been made retrospective to regularize payments to the Highways Fund.

Clause 9 relates to the power of the Treasurer to borrow additional sums if further loan money is available. It is not a new clause in this type of Bill. In the last few years the Loan Council has frequently voted money which is in excess of the amount which can be obtained from the market. The Commonwealth Government has supported the States' loan programmes and the States have raised

such loans as they were able to, but it is not known precisely what total amount will be available, although it is known that it will not be below a certain amount. Sometimes it may be slightly above, and clause 9 is inserted to give the Treasurer authority to accept this State's share of the additional money. The last Commonwealth loan was oversubscribed by £3,000,000 and that amount became available for distribution. Clause 9 enables the State to accept its share of such over subscription. The Commonwealth Government has promised to support loans up to £200,000,000 and the Loan Estimates of the States and the Commonwealth have been based on that amount.

Mr. O'HALLORAN (Leader of the Opposition)—I am in accord with clause 9 and also the general provisions of the Bill which follow the usual drafting practice of such Bills. However I should like some clarification of clause 12 as to the £4,500,000 to be made available under the Commonwealth-State Housing Agreement. When I was speaking on the Loan Estimates I questioned whether the agreement would be implemented to the full. I believe it will have to be, and that the provisions of the Act ratified by this Parliament in 1945 after an agreement between the Commonwealth and the State will have to apply to the expenditure of this money. The Treasurer should qualify the position, particularly the provision relating to the sharing of the cost of rebates of rent which come into effect with the adoption of this new principle of finance.

The other point relates to the crediting to a special account of moneys received from the Commonwealth by way of grant under the Commonwealth Aid Roads Act of 1950. I doubt whether the provision should have been inserted in this Bill. There is nothing in the Loan Estimates or the schedule of this Bill relating to road expenditure, and before this Parliament accepts such a principle it should know a little more about what is to be done with the money. I think it would have been more appropriate had this provision been inserted in the Bill which will follow the presentation of the Budget. It appears to me to be revenue rather than loan expenditure. Although it is true that the money is derived from a Commonwealth source it is not a loan from a Commonwealth source but a provision out of revenue collected by the imposition of a tax on petrol and certain other things used by motorists, and how it finds its way into this Bill rather puzzles me. It appears to be

somewhat out of place. If it is necessary for Parliament to provide that the Treasurer shall receive these moneys and pay them into the Road Fund, at least there should be some line on the Estimates, and I think the Revenue Estimates are the proper place to find it so that we shall have an opportunity to consider what moneys are to be made available and how they are to be spent. With these reservations I offer no objection to the Bill.

Mr. DUNKS (Mitcham)—As I did not have an opportunity to take any part in the debate on the Loan Estimates in Committee, I should like to say a few words about the Bill. I do not profess to be highly versed in the science of economics, as it is generally accepted to be today. My economics have been learned through the university of hard knocks in the ordinary way of business in having to sell goods, employ labour, and pay rent, interest and other things which make up the expenses of a business and then either be satisfied or dissatisfied with the amount of money returned at the end of the period. I have always had to be very careful of the amounts of loans that I incurred, always looking to the day when things might become difficult—as they have done in cycles in this land of ours—that I might be in a position to meet my commitments without too much trouble. For a number of years I have been very perturbed about the rising debt, not only of South Australia but of Australia in general. A few years ago I prefaced a speech with the words *Quo vadis*, which means, I believe, "Whither goest thou?" With that as my text I said to this House, and through it to the people of South Australia, "Where are we going? Are we getting to the stage when we may be unable to get out of our difficulties and meet our commitments?" and I did not get a very patient hearing. There was a general belief that everything was going along beautifully; that the Commonwealth Government would collect fabulous sums of money in taxation, that Loan money was easily procurable and so everything was all right. I was never satisfied with that view and after listening to speeches over the last few weeks and in private conversation with some members of Parliament, and particularly with those whom we know as captains of industry, I find that they are very disturbed about what the future may hold. Having heard the discussions and the figures quoted I have tried to prepare something in the nature of a statement, although quoting figures is not my forte.

Hard work and trying to make a small profit out of employing labour has been my job, and in the small industries with which I have been connected it has not been easy. The bigger industries manufacturing luxury goods seem to be able to make profits fairly easily, and we have heard quotations of what some of the big companies are making and how disastrous it is that they should be allowed to make such big profits. I assure the House that today the smaller industries—the butcher, the baker and candlestick maker and the small shopkeepers—are having a very difficult time.

Mr. Lawn—The honourable member said yesterday that the State is in a very prosperous position.

Mr. DUNKS—I repeat, the small industries are having a very difficult time and I think it would be well if certain members who rush into the press with statements about what firms like General Motors-Holdens and other big organizations are doing—without, in some cases quoting the capital involved—would look at some of the smaller industries and show by their trading account just the little profit comparable with the cost of living figures we are enjoying as wage earners.

I now propose to refer briefly to the public debt of South Australia. In 1950 it was £133,175,000, an increase of £8,455,000 on the previous year. By 1951 it had increased by £15,213,000 to £148,388,000. In 1952 it amounted to £173,436,000, an increase of £25,048,000 and in 1953 it increased by £27,000,000 to £200,436,000—a colossal amount of money, involving a colossal amount of interest that has to be met in some shape or form. It has been stated that the interest on the public debt today is within a few thousand pounds of all the money collected through taxation in South Australia—an astonishing piece of information, and it makes one wonder whether the day may arrive, if it has not already, when the amount of money that we are allowed to collect for ourselves will be less than the amount of interest we have to pay on our public debt. I find in the Loan Estimates many very big items of expenditure and I am somewhat fearful that some of them are not of the type that will return any dividend. Three million pounds is provided for railway accommodation, £5,175,000 for waterworks and sewers, £1,000,000 for the South Australian Housing Trust for war-time and post-war housing, £700,000 for the Leigh Creek coalfield and £4,200,000 for the Electricity Trust and £3,096,000 for uranium pro-

duction. Members will naturally say, as probably will some of my constituents, that this is in the interests of South Australia. In some cases that may be so. The Leigh Creek coalfield has been a great standby, but I am not prepared to admit that it was necessary to extend the operations of the Electricity Trust to the degree that has been done. As I have said before there were a lot of local power stations managed by municipalities that were doing an excellent job and during this time of financial stress we could well have allowed them to continue and very likely return a profit to the municipality which could be used in the area.

Mr. Fletcher—Is it not possible that they have been outgrown?

Mr. DUNKS—Yes, but some of them have not been, and against that fabulous prices were paid by the Electricity Trust for some on taking them over; not as was done when the Government took over the South Australian Electricity Company by buying the shareholders out at Stock Exchange values, but at sums far in excess of the assets which the balance-sheets of these concerns revealed. The trading account of the Electricity Trust for the year 1952 shows that the debenture holders were the Treasurer and outside persons and bodies. The debentures held by the Treasurer were to the value of £17,382,278. This represented loans to the Electricity Trust for its own purposes and for the Leigh Creek coalfield. Other debentures amounted to £12,969,633. I take it that these were the debentures that were offered, and mostly taken, in return for the shares of shareholders in the old company. Since that trading account was issued, in the last few days the Electricity Trust floated a new loan which was taken up in two or three days, proving the confidence that the people have in the Government of South Australia, but not of necessity in the Electricity Trust.

Mr. Lawn—Do you think they would have put it into the trust if they thought it was going down the drain?

Mr. DUNKS—The Government has guaranteed the debentures.

Mr. Lawn—The Government is the people.

Mr. DUNKS—Possibly, but if it goes down the drain the debenture holders know that they will get their money back by virtue of the Government guarantee, and therefore it is a vote of confidence in the Government more than in the trust.

Mr. Lawn—Are you opposing the Bill



Mr. DUNKS—The very fact that it is looked upon as a gilt-edged security backed by the Government is the reason for its filling so quickly. In the Bill before us there is a new loan of £4,900,000 which will, on the figures revealed by the trading account, with the addition of the figures I have mentioned, bring the capital of the trust up to £36,251,911. I have not had time to ascertain how much has been given to the trust for the development of the Leigh Creek coalfield and electricity manufacture and reticulation, but I would be inclined to think that instead of the capital being £36,000,000, directly and indirectly the amount required to run the trust today, including Leigh Creek coalfield, would not be much under £60,000,000 if it were conducted by private enterprise. I am only guessing. I have no evidence, but from the little I know of the industry I am inclined to think that if private enterprise could purchase the trust's undertaking and the coalfield for £60,000,000 it would not be a big figure as far as capital values are concerned, but I think it would be a very bad purchase from a dividend point of view. On the examination that I have made of these figures the trust made a net profit of £17,922 in 1952. If that assumption is correct, with a capital of a little over £30,000,000, it made one-seventh of a penny net profit on every pound invested. Any limited liability company that tried to manage a colossal undertaking of that description and made only one-seventh of a penny net profit would have its shares listed on the Stock Exchange at 2s. at the most. Let us suppose the capital of the undertaking will be £36,251,000 for next year. I am prepared to accept that figure because there are no others available, but if all capital moneys were taken into account the capital of the undertaking would be nearer £60,000,000. I believe the figure will be over £36,000,000 in the 1953 balance sheet because the recent loan of £1,000,000 and the £4,900,000 under the Loan Estimates will not come into the accounts until 1954. I have calculated that by its present surplus of £300,000 it has made a profit of 2½d. a share, or 2½d. for each pound of money invested in the organization. Although £300,000 seems a lot of money, when one considers it against the capital of the undertaking it is a very small return. When we remember that the old company paid £200,000 in income taxation after paying dividends of 5 per cent or six per cent on ordinary shares and up to 8 per cent on preference shares we realize that the trust is not making much profit today.

I recognize that the trust is doing a good job, but I am pointing to the colossal growth of the public debt, and I wonder where we are going to end. We have put another £3,000,000 into railways and £3,096,000 into uranium production. I have already mentioned the appropriation to the Electricity Trust, which includes the Leigh Creek coalfield.

Another matter has disturbed me. Some years ago we appointed an Industries Development Committee, but from the very beginning I have been opposed to the legislation establishing it. It was set up to examine limited liability companies and private people who wished to obtain assistance from the Government, whether in the way of a guarantee against an overdraft accumulated at the bank or a new overdraft. If the committee recommended favourably, the Treasurer had the right to say yea or nay to the proposition; the committee's report did not come before Parliament. In answer to my question recently the Treasurer said that there were now guarantees outstanding to the extent of £2,370,350. If all these companies are able to carry on and wipe off their overdrafts without calling upon the assistance of the guarantor, who is the Treasurer, I shall be very surprised. The time has arrived to say to them, "Wipe off your overdraft as soon as you can," for the State may one day get into financial difficulties. Then some of these guarantees may come home to roost, and the Treasurer will be in a desperate position if he is called upon to honour them.

Another policy that I have been opposed to for some time is the investment of public money in private enterprise. Money belonging to the taxpayers should not be used to finance private enterprise. In answer to a question I was informed that £64,000 face value of shares is at present held by the Government in limited liability companies. The shares of one of them are now listed on the Stock Exchange at 24s. 3d. a pound share. Although £64,000 is not a large sum, while we are struggling to finance necessary public works, particularly schools, it would be of some assistance. The Government should sell those shares because they must be at their peak on the Stock Exchange today. The cellulose industry in the South-East probably did good work and deserved some assistance when it was struggling because it was of real help to the State, but today it is on its feet. If there are buyers at 24s. 3d. it would be easy for the Government to unload its shares. It is wrong

in principle for the Government to hold shares in companies and the proceeds of their sale could finance necessary public works.

I am not opposing the Bill as Mr. Lawn suggested: I am only throwing out a warning that when we compliment the Treasurer when he goes to the Loan Council meeting and gets loans of £20,000,000 or £30,000,000 it is not a victory, though it may appear so, for the day of reckoning is coming. As surely as the sun rises we shall find ourselves in trouble. It has often been said that history repeats itself. Students of the history of South Australia will remember that this State was established under a commission on a formula brought into existence by Edward Gibbon Wakefield, who thought of a scheme while he was in gaol in England. He conceived a system of colonization, a system that had never been thought of before, namely, to sell the land in South Australia and with the proceeds bring out people from the Old Country to develop the colony, and what a job they did! While the other States were being developed as convict settlements, free people were transported here. We should be thankful for what they did. They brought with them the traditions of the Old Country—its laws, religion, art and literature—all those things that have made Britain a great nation. Governor Hindmarsh came out with a commission, but he did not get on very well and was recalled. Governor Gawler was sent out and he, like Treasurers later, thought he would make the best of things while the going was good. He did not have to go to the Commonwealth to get finance, but sent his accounts to the bankers in England, who honoured the drafts, but Governor Gawler spent the money willy nilly and built public places of all kinds and ran the State into debt. It is a great pity that one of the towns of South Australia was named after him, for he was not a good example for the State to follow. Longfellow said:—

Lives of great men all remind us  
We can make our lives sublime,  
And, departing, leave behind us  
Footprints on the sands of time.

Governor Gawler left the footprints on the sands of time of extravagance; so much so that when Governor Grey came out with an order to take over he found, like old Mother Hubbard, that the cupboard was bare, except for bills, which were sent to the Colonial Secretary in Britain with the question, "Who will pay them?" He said the British Government would, but thenceforth South Australia had to meet her commitments as a Crown

colony. One day the Loan Council may say to South Australia, "We will not find the money for you to pay your debts or run your public services or finance any extravagant schemes. You will get no more money from us." *Quo vadis*—whither goest thou then!

Mr. FRANK WALSH (Goodwood)—I was surprised at some of the statements made by the member for Mitcham. He complained about the increase in the public debt. I mentioned this matter when we had an Appropriation Bill before us on June 25, but I did not hear any comment from him then. Mr. Dunks said today that steps should be taken to reduce our public debt but he was a member of the Government which, on the opening day of this session, asked for approval to spend the sum of £1,175,500, which, had the honourable member and his Government so desired, could have been used to reduce our public debt. The honourable member criticized the administration of the Electricity Trust, but his Government was responsible for the socialization of the generation of electricity in this State. Although the trust may be making what would be considered a very small profit if made by a capitalist concern, it is rendering an essential service to the community at the lowest possible cost, and an indication of its progressive policy may be seen in the projected erection of two powerhouses at Port Augusta.

Clause 12 provides for authority to spend money received from the Commonwealth under the Commonwealth and State Housing Agreement. Can the Treasurer say how many houses will be erected under that agreement, whether they will be of all-timber or solid construction, and whether they will be built for purchase or rental? Will part of the £4,500,000 advanced by the Commonwealth be used to subsidize rents charged by the trust, and, if so, what effect will this have on the trust's present policy of averaging rentals? Will the expenditure under this agreement mean that a cheaper type of home will be available for the aged who have been neglected in the past, or the erection of more homes to meet the needs of larger family units? I would appreciate this information from the Premier when he closes the debate or when the Bill is in Committee.

The Hon. T. PLAYFORD (Premier and Treasurer)—In closing the debate I wish to deal with one or two questions raised by honourable members. Mr. O'Halloran raised the general question of the advisability of passing the money voted for the Highways

Fund through a Loan fund rather than through a revenue account. There are two sides to this question, but, frankly, I do not know which would ultimately turn out to be the best policy for the State. I suggest, however, that this year the money should be voted in the manner proposed. A Bill to amend the Constitution Act is already before the House, and later this session legislation relating to the Highways Fund will be introduced. On examination, it would seem advisable to deal with this matter along the lines suggested by Mr. O'Halloran, but, as I am not sure, I will refer it to the Treasury economist for advice on whether any better procedure could be adopted in future. The sum of £1,000,000, when passed through our revenue accounts, certainly inflates the expenditure and revenue totals contained in the Budget, but I am not certain whether that has any bearing on the attitude of the Grants Commission towards South Australia, as a claimant State. For many years money has been paid into the Highways Fund without special Parliamentary appropriation, and, for the last three years, the legal wording has been altered so as to use the words "Roads Account," but the purpose of the grant is still clearly set out. I will take up the question and let the Leader of the Opposition know whether there is any advantage to be gained by paying the sum into a revenue account, dealing with it by means of a separate Bill, or by paying it into the Highways Fund by means of special legislation, for under the complicated system of accounts required by the Grants Commission different results may be obtained from a similar transaction according to the way the amounts are credited.

The Deputy Leader of the Opposition asked whether the money to be provided under the Commonwealth and State Housing Agreement would be used for the erection of purchase or rental homes and how many homes would be built this year. I cannot answer the latter question, for I do not know the number to be built. The programme of the Housing Trust has been proceeding for some time, and, under the Loan Estimates, the sum of £1,000,000 is being provided to complete houses already begun under the State's programme. Those houses will not come under the Commonwealth and State Housing Agreement, nor will the money to finance their completion be provided under it. The sum of £4,500,000 which will be advanced by the Commonwealth will, of course, be available under the strict terms of the agreement. There is a Commonwealth Housing Agreement which

has been modified slightly from time to time, but is substantially the same as when it was first before Parliament. It provides for houses to be sold or rented; if sold the whole of the purchase money must be repaid. The question came up for discussion at the last Premiers' Conference. It was raised by Victoria and it is provided that houses will be sold or rented and the rent repaid under certain conditions shared by the Commonwealth and the State. In general terms the rents will, I think, be about 3s. higher than those charged for houses built under Housing Trust legislation. That is only an estimate and I will not vouch for its correctness.

Mr. O'Halloran—What circumstances caused that?

The Hon. T. PLAYFORD—If a house is let for a short period the rents would naturally be much higher than for a long period. I think it is seven years since the House considered the matter.

Mr. O'Halloran—Nearly eight.

The Hon. T. PLAYFORD—I think some provision was made for losses under a rebate system, which would be met by the persons in a position to pay. I assure the honourable member that the houses will be built strictly in terms of the agreement, both for rental and sale. As regards sales, the whole of the money must be repaid to the Commonwealth, which does not provide any money to finance a home for sale. I was interested, at the last Premiers' Conference, to note that all States acting under the agreement—and particularly the three eastern Labor States—greatly favoured the sale provisions. I believe that they found that the rebate provisions have been costly and they were trying to get away, as far as possible, from the rebate system.

Mr. Quirke—Is there any sales provision under the Act?

The Hon. T. PLAYFORD—Yes, but the sales provisions do not provide for financing. If a house is sold the Commonwealth must be paid in full. It takes the view that as it found finance for the erection of the house once, if it is purchased the money should be repaid. If a house is sold we will have to arrange through the State Bank, the Savings Bank or other instrumentality for repayment of the amount involved to the Commonwealth.

Mr. Quirke—The Commonwealth looks to the State for repayment?

The Hon. T. PLAYFORD—If the house is sold the purchaser is expected to find the cash. No provision is made for selling on extended terms. I was interested to find that the States which operated under the agreement are now strongly supporting the sales provisions rather than the rental provisions.

Mr. Quirke—That would not prevent a purchaser from obtaining outside assistance?

The Hon. T. PLAYFORD—No. As regards Mr. Dunks' remarks about the Electricity Trust, I have never regarded it as a profit-making instrumentality. As Prices Minister I keep the closest watch on the accounts of the trust with a view to reducing the tariff on electricity if I find that it is making a surplus and can afford to make a reduction. I believe that the trust can give the best service to the State, not by making a profit, but by giving an assured supply to industry at the cheapest possible rate and making electricity available to the greatest extent. The other day, when Mr. Dunks asked whether the Electricity Trust had made a profit, I had to admit that it had. I think its profit in the last financial year was more than £300,000, due to two factors. In fixing the price of electricity, which had been fixed at a reduction on the previous tariff, I calculated that it was likely there would be certain basic wage increases because of the "C" series index, which the trust would have to meet, and I calculated a price that would enable the trust to meet that increase. Members know that in fact, instead of there being an increase in one instance, there was a reduction in the "C" series figure and the next increase did not overtake the previous position, although the last figure did so by a slight amount; so certain savings were made in that direction.

Secondly, I rather underestimated the influence of Leigh Creek coal. About 56 per cent of the electricity we use is generated from Leigh Creek coal and if the railways were in a position to bring down more at the moment we could save a large sum. There is a bottleneck on the narrow gauge line at the moment, but if we could bring down 4,000 to 5,000 tons more per week for use at Osborne we could substitute it for 4,000 or 5,000 tons of very expensive imported coal and make a big saving. These things, together with a very strong control exercised by Mr. Drew over the trust's accounts, meant that the trust made out a better case than I calculated. The profit will not be used to help pay off the public

debt, but will be taken into account when the next electricity tariff charges are being considered. We fix the tariff at the lowest possible figure to maintain the trust on a proper basis. As regards the Industries Development Act, the Industries Development Committee has given remarkably good service to the State. Mr. Corcoran can vouch for what I have to say. We had an industry in the South-East, which was developed to a certain extent, and then got into difficulties. Private enterprise was not prepared to advance money to get it out of its difficulties and the bank put in a receiver. Having done so, the trustee company concerned applied to me personally for permission to sell the assets and transfer the licences held over timber to a Victorian firm. The concern was to be sold with a view to its being scrapped. That was the position when I referred the matter to the Industries Development Committee. I think that the chairman at the time was Mr. Abbott (now Mr. Justice Abbott) and the committee investigated the matter. The shareholders and debenture holders were requested to forgo certain rights. The shares were worthless on the Stock Exchange and the bank was in occupation to shut down the industry and scrap the assets, but what is the position today? The company has repaid the £200,000 which the Government advanced. Only last year, I think, a Bill was introduced which liquidated any guarantee that had been given. The company is solvent today and employs a large amount of labour, as well as purchasing an enormous amount of thinnings from State forests at a good price. I think that between 700 and 800 men and women are employed at the works, which are the backbone of the district and of Millicent. The State made no loss whatsoever. I think the State put in two lots of shares at a parity of £1 each. They are quoted today at 24s. 6d.

Mr. O'Halloran—The first lot of shares was invested before the company got into difficulties.

The Hon. T. PLAYFORD—Yes, by Act of Parliament after the whole matter had been investigated by a Select Committee of this House when the company first started. We invested a second lot because I could see no reason, with shares at a bonus and worth 24s., and the Government having every right to take up its quota, it should refuse to take them up and allow them to lapse. There was no reason why the Government should forgo a matter of £5,000 which it was entitled to.

Mr. Dunks—Who has the selling rights?

The Hon. T. PLAYFORD—Parliament did not approve of selling rights when the matter was considered, and I have never approved it. It is a matter which must be closely examined. It is a method of providing an income without paying taxation, and I have some doubts about that. I told the honourable member that we held 2,293 shares in the Daylite Ltd. When Sir Richard Butler was Premier £20,000 was made available by a committee of business men for the purpose of assisting small industries, and that is how we got our shareholding in the company. We have had some dividends on the shares. I do not think the money was unwisely spent; I think the £20,000 has come back to us in various ways. For the information of the honourable member I point out that the sum of £2,300,000 is represented in Government guarantees to private industry. About £1,000,000 is covered by cement manufacture and it is interesting to note that the shares of the company assisted have increased in value, so it seems to have been a good proposition. About another £1,000,000 is involved in working the pyrites deposits at Nairne, which I think is one of the most important undertakings ever entered into in this State. It will have a great bearing on primary production, and provides employment for men instead of our spending money on imported material. All members are interested in the production of cement. I have a report which says that in July this year 18,435 tons of locally produced cement were sold, which was 2,500 tons more than the next highest month in the current year. The South Australian Portland Cement Company, which was not the company assisted by the Government, increased its capacity with the assistance of private finance and its production stands at 85,000 tons a year. A quota increase to merchants, amounting to 100 tons a week, was made two weeks ago. The company is proceeding with its plan to enlarge plant and move to Angaston, and increase the output.

Mr. Stephens—We could do with double that output.

The Hon. T. PLAYFORD—Yes. The State is progressing rapidly. A little while ago 100,000 tons of cement was sufficient production in a year, but now about 18,000 tons a month is not enough to meet requirements. I assure the Leader of the Opposition that I will take up the point he has raised regarding Parliament having some control over Commonwealth money going into the Highways Fund.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—"Issue and application of money from Loan Fund."

Mr. LAWN—I was surprised to hear Mr. Dunks oppose the granting of Loan money to assist private enterprise. Money can be raised in three ways—by taxation, loan or the issue of credit. If the honourable member opposes the raising of money by loan he must support one of the other two methods, and it would be surprising to learn that he supports the issue of credit. If he wants money raised by taxation he must be at variance with the Treasurer who argued recently, I think wrongly, that taxation would be lighter if imposed by the State. Mr. Dunks said that if the Electricity Trust were operated as a private concern it would be paying Commonwealth company taxation and dividends to shareholders, which would mean consumers paying higher tariffs. He must be at variance with members of his Party when he opposes the extension of electricity services. Mr. Hawker has asked for extensions in his district. I have no objection to country extensions. Mr. Dunks should not claim a monopoly for his district over power and light supplied by the trust. When the Adelaide Electric Supply Company was in existence it did not make country extensions because it thought there was not enough profit in them. If the Railways Department were run as a private concern there would not be the present good country services. I was also surprised to hear Mr. Dunks oppose the proposal to extend operations at Leigh Creek. This is not the first time that the honourable members has been inconsistent. During the Address in Reply debate he referred to the bankruptcy of business in South Australia. Yesterday afternoon the Leader of the Opposition introduced a Bill dealing with electoral reform and referred to the gerrymander which has kept the present Government in office for 20 years. Whilst he was speaking Mr. Dunks interjected and said that the State is still prosperous, and then again today he said that small business people were going bankrupt. I do not know whether he is regarded as a small or large business man, but some small competitors complain about him so he must be in a big way.

The Hon. T. PLAYFORD—On a point of order, Mr. Chairman, can the honourable member refer in Committee to matter dealt with in the House?

The CHAIRMAN—In answer to the point of order, a member is not allowed to speak in the House and refer to a debate which took place in Committee. The member for Mitcham observed this rule meticulously this afternoon. A member in Committee can only speak on matters referred to the Committee and must confine his remarks to the particular clause.

Mr. LAWN—I could have spoken without referring to the member for Mitcham but the fact remains that he did object to the Bill and spoke against loans. I will not discuss his reasons. The point I was making relates to what can be interpreted as a small business. This afternoon complaints were made about the banning of the use of a certain commodity—

The CHAIRMAN—The honourable member must confine his remarks to this clause.

The Hon. T. PLAYFORD—The honourable member wanted to know the composition of the Loan Fund. He said it could comprise only one of three elements.

Mr. LAWN—I did not want to know the composition of the Loan Fund. I said that money could only be raised by three methods.

The Hon. T. PLAYFORD—For the purposes of this Bill it can be raised by only one means. Under the Australian Constitution, whether we like it or not, or whether we approve of it or not, the States are precluded from borrowing money except through the Loan Council.

Mr. LAWN—If there were sufficient revenue from taxation there would be no need to borrow money.

The Hon. T. PLAYFORD—If we had revenue accounts they would be dealt with in the Budget, which is an entirely different debate from this. The other day I thought that the honourable member, when discussing these matters, was mixing the Budget debate with the Loan Estimate debate because he referred to amounts recently received from Canberra.

Mr. LAWN—I had nothing to say on the Loan Estimates and neither did I interject.

The Hon. T. PLAYFORD—The honourable member may not have been debating the Loan Estimates, but in the course of some of his remarks he referred to the inadequacy of the amounts obtained from Canberra.

Mr. LAWN—On a point of order, Mr. Chairman, I made no such reference.

The Hon. T. PLAYFORD—I usually remember the remarks of honourable members, but if Mr. LAWN assures me he made

no such comment I will accept his statement. It may have been another member. Loan funds can only be obtained from the Loan Council. The Loan Fund cannot comprise surpluses of revenue, nor can it provide for the raising of money by national credit.

Clause passed.

Clauses 6, 7 and 8 passed.

Clause 9—"Power to borrow additional sums if further loan money available."

Mr. MACGILLIVRAY—What happens to unexpended money that has been allocated to certain departments for specific works? Does it go back into the general Loan Fund to pay the State debt?

The Hon. T. PLAYFORD—The amount received is, in effect, the amount the State spends on its loan works. If the Loan Council allocated £30,000,000 to this State and this Parliament approved the expenditure of that amount, but for some reason only £20,000,000 was expended, there would be a surplus of £10,000,000, which would be taken into account by the Loan Council in making its next allocation. Of necessity, a carry-over of about £3,000,000 is always provided because quite frequently the Loan Council does not meet until two or three months after the commencement of the next financial year. If there were no carry-over, most Government employees would be dismissed on July 1 because there would be no money to ensure continuity of work. The carry-over is decided by the Loan Council and each State receives an approximate proportion. On June 30 last year this State provided for a carry-over of £3,000,000.

Mr. Macgillivray—Does the Premier have to advise the Loan Council of that fact?

The Hon. T. PLAYFORD—Yes, and information relating to all States is made available. That is the general practice and without exception is carried out without difficulty. About eight years ago, however, one State did not have its accounts ready for a number of Loan Council meetings, but in general practice the States notify the Loan Council in advance of their requirements, which are analysed by the Commonwealth. The amount received is not the amount voted by Parliament, but the amount which is, in fact, spent.

Clause 9 passed.

Clauses 10 and 11 passed.

Clause 12—"Authority to expend money received from Commonwealth."

Mr. FRANK WALSH—Subclause (2) relates to money received by the State from the Commonwealth as grants under the Commonwealth Aid Roads Act. I understand that provision is made to enable the Minister of Local Government to expend such moneys from that special account as are required over a period of 12 months. Does the special provision affect in any way other revenue which may be directed to the road programme? Does that special account continue if other accounts are flourishing?

The Hon. T. PLAYFORD—Under our State legislation we have a Highways Fund created from revenue received from motor taxation and motor licence fees and a method of spending through the Highways Commissioner. In addition we receive from the Commonwealth Government a percentage return of the petrol tax. For many years these moneys were automatically paid into the Highways Fund. The new agreement slightly alters the language of the old Act, but still provides that the money can be used only for road purposes. There is no suggestion that it can be used for other purposes. However, the Commonwealth attaches all kinds of tags as to how the money shall be expended, and among them is that some must be spent on outside roads. The moment the Commonwealth uses in its Act the word "State" it then becomes a matter for the money to be appropriated by Parliament for a specific purpose. That is what is involved in this clause. We are merely appropriating to the Highways Fund money which the Commonwealth Government has contributed for that purpose. The Leader of the Opposition questioned whether it should not be covered by a special Act. That matter requires investigation because of implications associated with the Grants Commission. I have suggested that we regularize the procedure by this Bill and in the meantime the Government decide whether it should be done in future by a special Act. If the money goes to revenue it will increase our revenue by £1,000,000, and I do not know whether that will affect our position with the Grants Commission. The Leader of the Opposition has raised a very good point.

Mr. MACGILLIVRAY—Motorists have an interest in the amount to be spent on the roads. The money collected from motorists from car registration and licences is, except for a small sum spent on administration, used on the roads. However, I am not so happy when it comes to the Commonwealth

allocations to the States from moneys raised on duties on petrol and car imports. I have seen figures showing that the Commonwealth extracts more than £70,000,000 a year from motorists. Anyone who buys a car pays a sales tax, import duties and various other imposts. I do not think they would object to this provided the money was spent on the roads. If we could get the money collected by the Government from this source returned *pro rata* to the States and have it used on the roads we would not hear so many complaints about transports cutting up our highways. Very often the Highways Department is blamed wrongly for not carrying out certain work. If it could get money in the free and easy manner the railways, for instance, get it, we would have bituminous highways throughout the length and breadth of South Australia. Imagine what the Commissioner could do with the £3,000,000 we have passed today for the railways plus the other £4,000,000 or £5,000,000 we will probably be asked to pass for the railways when the Budget comes before the House, as well as the money handed to the Tramways Trust. The Highways Department is blatantly starved of money. I am not blaming the Government except to the extent that it should use every possible effort to force the Commonwealth Government.

Mr. Hawker—On a point of order. The honourable member is talking a lot about the Highways Commissioner. I do not see anything about him in the Bill.

The CHAIRMAN—It is a Commonwealth grant; it must be paid to the credit of the Treasury and I should say that the Commissioner of Highways had to use it. I think it is a borderline case, and unless the honourable member intends to deal with it at any great length I will permit it.

Mr. MACGILLIVRAY—The whole subject matter of this debate, although it may be beyond the understanding of some members opposite, is the allocation of loan money. This clause deals with grants for roads, and I mentioned the Highways Commissioner because obviously he is the officer who has to control this fund. I know it is a bit difficult for the member for Burra to think that far ahead. What I am saying is that the Government, especially the Treasurer, should fight the Commonwealth Government in every instance on this point. I know that the Commonwealth Minister for Transport, himself a South Australian, has made very strong pleas for the development of road transport, not

because he is against railways or shipping and air transport, but because he realizes that if it is to function as a nation the Commonwealth must develop every possible form of transport. Hitherto the whole policy has been to keep the railways going at the expense of the highways and I feel very sore at this continual attack on people who have rescued us when the socialistic transport systems like the railways, tramways and shipping have fallen down on the job, and who have carried on against almost impossible difficulties with nothing but abuse, sometimes even from Governments that pay lip service to private enterprise. According to statements in the press the Commonwealth Government is seized of the importance of this matter and will consider whether the States should have more money allotted to them for this purpose. If that is done I

have no doubt that the Highways Department will use it wisely and well. I deprecate the attacks which often come from country areas because they cannot get roads in their districts—very often old districts. People are prone to forget that even though conditions may be bad in their own district they may be worse in others. Every member fights for his own district and the happy solution of the whole thing would be to make adequate finance available to the Commissioner, and the way to do that is through the clause we are discussing. I hope that the Treasurer will keep this in mind.

Clause passed. Title passed.

Bill read a third time and passed.

#### ADJOURNMENT.

At 5.20 p.m. the House adjourned until Tuesday, August 25 at 2 p.m.