

HOUSE OF ASSEMBLY.

Thursday, October 1, 1953.

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

QUESTIONS.**SITTINGS OF THE HOUSE.**

Mr. O'HALLORAN—To enable members to make arrangements for a little time ahead will the Premier indicate the Government's intention regarding the sittings of the House for, say, next week?

The **Hon. T. PLAYFORD**—I understand the Leader of the Opposition has an important engagement on Monday which will preclude him from preparing his comments on the Budget early next week. Under these circumstances the House will not sit at night next week, so as to afford him a little time to study the Budget before the debate commences. I should be obliged if honourable members would be prepared to debate the Budget and sit in the evening in the following week.

EXPERTS' ADVICE ON RAILWAY MANAGEMENT.

Mr. DUNNAGE—Experts are being brought from America to advise the Tramways Trust how to obviate losses. Has the Minister of Railways considered asking the experts to give some advice to the Railways Department, as the railways also made a considerable loss in the last 12 months?

The **Hon. M. McINTOSH**—The Tramways Trust, because of its peculiar problems, has asked for the advice of these experts on a purely suburban system of transportation. The two systems, in my opinion, are not related because, over a very long period, every Parliament, every Government and every Minister of Railways has regarded the railways not so much as a revenue-producing agency as a factor in the development of the State's production. Freights and fares in the main have no relationship to profit, the main purpose of the railways being regarded as a service to the State and the public. We have neither asked for, nor do I think the Government will consider asking, people from abroad to advise on the reason for railway losses. We already know the reason.

MEDICAL BENEFITS ORGANIZATIONS.

Mr. FRANK WALSH—Last session I asked a number of questions concerning organizations providing medical and hospital benefits to subscribers under the Commonwealth health

scheme. Does the Government intend to introduce legislation to prevent unregistered organizations from operating in this State?

The **Hon. T. PLAYFORD**—Legislation was passed in Victoria dealing with this subject, though perhaps not in the precise terms of the honourable member's question. Under the Federal Constitution banking and insurance were handed over to Commonwealth jurisdiction. No insurance law made in this State must conflict with Commonwealth law. If it does, it immediately becomes invalid. I understand the Victorian legislation was found difficult to apply because of the limitations which had to be placed on it, and the difficulty of definition. I also believe that the Commonwealth at one stage proposed a joint State Bill which would protect persons when insuring with non-approved schemes or associations, but I do not remember having seen a copy of it. I will follow up the matter, secure the correspondence, see why a definite conclusion was not reached, and let the honourable member have a further reply next week.

WHEAT MARKETING.

Mr. HEASLIP—Has the Minister of Agriculture any further information on the future of marketing of wheat?

The **Hon. Sir GEORGE JENKINS**—This morning a conference took place between the Premier, the New South Wales Minister of Agriculture and myself on this matter. As a result, an agreement was reached and a telegram was sent by the Premier to the Federal Minister for Commerce and Agriculture in the following terms:—

Conference of Agricultural Ministers New South Wales and South Australia this morning have reached agreement that their respective States would proceed forthwith three State plan provided you give assurance that Commonwealth would use its best endeavour to protect flour milling industry in New South Wales and South Australia against any unfair competition arising through varying State home consumption wheat prices. My Government approves this proposal on the above condition.

Everybody will be pleased that an agreement has been reached. I feel it will not only be satisfactory to South Australia, but give us every reason to hope that the Victorian Government will come into line to ensure that there will be an orderly marketing plan established in Australia this season.

Mr. STOTT—Following on the question asked by the member for Rocky River the Minister will realize that now a three-State plan could go ahead on an orderly marketing

basis. If Victoria agrees to this proposal—and I agree with the Minister that she is likely to concur—will the Minister consider taking a ballot of growers on the question of writing the provision of 14s. a bushel into a wheat stabilization plan to operate for five years? In the event of the question being negatived the orderly marketing plan could operate for three years, whereas if the growers voted in the affirmative the wheat stabilization plan could operate for five.

The Hon. Sir GEORGE JENKINS—The question involves policy. Firstly, definite questions would have to be submitted to the growers other than “Are you in favour of stabilization?” Secondly, the stabilization plan has not yet been considered by the Government and, being a matter of policy, it would have to be discussed by the Government after we knew what it was. I imagine it would necessitate legislation to enable us to take a ballot.

Mr. O'HALLORAN—Can the Minister of Agriculture say whether a policy regarding the price of wheat used for local purposes in Australia has been determined as between South Australia and Western Australia and, if so, what will the price per bushel be, particularly of wheat for gristing purposes?

The Hon. Sir GEORGE JENKINS—The honourable member's question was partly answered in the reply I gave to Mr. Heaslip. The three-State plan envisaging a price of 14s. a bushel was framed in the hope that the Victorian Government would also agree to it.

WANILLA SETTLEMENT RENTALS.

Mr. QUIRKE—The following is an extract from a letter I have received from a friend on the West Coast:—

When the provisional, also called tentative, rents for the Wanilla Soldier Settlement were announced last year, local landowners were as amazed as the settlers were shocked. The settlers, depending on the much publicized formula of rents at cost, or on the productive capacity of the land, at $2\frac{1}{2}$ per cent, had expected to be charged not more than half of that now demanded for blocks comprising all “new” land. Local landowners, with their knowledge of the initial poverty of the soil, the years required to build the fertility, the high annual costs in relation to returns during those years, and the false impression given by a spectacular spring flush in relation to productive capacity for the rest of the year, agree that the settlers' estimate of a just rent is much nearer the mark than the department's. In the short time the original settlers have been in occupancy of their blocks they have found that their total returns are inadequate to meet working expenses, living costs and pay rents

at the rate demanded. Despite this fact the department is taking a very harsh attitude and insisting that it receives its pound of flesh irrespective of who else goes short. Indeed, it is insisting that those who happen to have small personal reserves should apply them to liquidating the department's claims and to those not so placed it is blandly suggested they borrow further from their stock firms against sheep already subject to substantial mortgage. . . . A climax has now been reached and early this month six of the settlers, including the spokesmen on several deputations, which may or may not be co-incidental, have been advised in most objectionable terms that unless arrears were paid by October 3 legal proceedings would be instituted, with probable cancellation of the lease.

In view of the importance of this subject can the Minister of Lands make a statement on the contents of that letter?

The Hon. C. S. HINCKS—Have you the settler's name?

Mr. QUIRKE—It is not from a settler.

The Hon. C. S. HINCKS—Although the letter is not from a settler, many members and individuals have received similar letters. These rents were made tentative at the wish of the settlers. It was explained to them that there would be a margin in their favour and that when finally fixed there would be a small refund to them. They asked that rentals should be fixed so that they would have some idea of their commitments and to enable them to make provision to meet that tentative rental each year. That has been clearly explained and in the main accepted by them. The settlers on Eyre Peninsula referred to have on numerous occasions met me and the position has been fully explained to them. They have accepted the conditions and the six settlers who have had notice have been told that, if they can meet a proportion of their commitments, and providing that the department is satisfied that they cannot meet all their commitments, we will help them. However, the figures given by these six settlers to one of our accountants show conclusively that they can meet the greater part of and some of them all their commitments. Some have made considerable money and created a considerable equity in their properties, but they have combined to do what they can to avoid paying those amounts because of the rentals which is the only factor entering into the question. If it can be shown that they cannot meet their commitments, we will help them, and, if the rentals are eventually found to be too high and the blocks will not meet them, there will be a definite writing down of rentals.

COMPENSATION FOR QUORN RESIDENTS.

Mr. RICHES—Several weeks ago I asked the Treasurer if he would consider re-introducing, this session, a Bill that lapsed last session and which sought to provide compensation for people in the Quorn district who would suffer loss because of the construction of the new north-south railway line. The Treasurer said a definite decision had not been reached at that stage. Has Cabinet had an opportunity of considering that request, and, if so, is legislation likely to be introduced?

The Hon. T. PLAYFORD—A Bill was prepared and introduced last session, but the opinion was widely expressed that it should not be proceeded with because the circumstances under which it would operate would not arise for at least three years and its introduction was therefore premature. At present there are many Bills before Cabinet, including this Bill, which will be considered when it becomes apparent that it is opportune to submit legislation to the House. I might say, for the benefit of people at Quorn, that the Government has not altered its opinion as to the desirability of introducing the legislation.

Mr. Riches—Will there be any alteration in the scope of the Bill?

The Hon. T. PLAYFORD—It will be the same as that which was withdrawn last year, but I cannot say whether it will be possible to proceed with it this year.

REPAIRS TO CAFFIRO ROAD.

Mr. FLETCHER—The following statement appeared in this morning's *Advertiser*:—

Unless some repairs could be made to portion of the Caffiro road in the near future it would be impossible for quarry owners to get building stone away from quarries and the industry would have to close down, said Cr. L. H. Jones at the Mount Gambier District Council meeting.

Will the Minister of Local Government take up this matter with the Highways Commissioner to see whether it is possible to have this road placed on the main road schedule, as it is the main and only road leading from the quarries? It will be agreed that the quarry industry in Mount Gambier is a big one.

The Hon. M. McINTOSH—It is rather unusual to ask me to use my influence to have a road placed on the main road schedule to benefit a particular quarry. It might be a question of robbing Peter to pay Paul. A person may say, "Why should they be benefited at my expense?" because to date I have not heard

that we are short of quarry stone. I will take up the matter with the Highways Commissioner and the council concerned, because it will also be interested.

LONG SERVICE LEAVE.

Mr. LAWN—Did the Premier notice in this morning's *Advertiser* the result of a Gallup Poll regarding long service leave for employees? About 1,800 people were interviewed regarding long service leave being granted after a person had served with one employer for 20 years, and 89 per cent favoured it, eight per cent were against it, and three per cent had no opinion. Men and women as groups gave similar answers.

Among business owners and executives 81 per cent were in favour, and of the 1,800 people who were asked whether they thought accumulated long service should be lost if an employee went on strike, 56 per cent voted "No," 27 per cent "Yes" and 17 per cent had no opinion. Another question was whether a boy starting work at 15 should receive long service leave at 35 years or when 50. Those in favour of the leave being granted at 35 years numbered 66 per cent. Does the Government intend to introduce a Bill to provide for long service leave for employees, and is this one of the Bills which the Premier said in reply to another question is already before Cabinet? If not, in view of the overwhelming majority who desire this innovation, will the Premier refer the matter to Cabinet with the object of introducing a Bill?

The Hon. T. PLAYFORD—There seems to be some discrepancy in the statement the honourable member has submitted. If all the business men and all their employees favour this leave, obviously there is no need for the Government to come into it at all, because it is quite permissible for anyone who desires to give his employees long service leave to proceed to do so without any Government compulsion. The Gallup Poll cannot register completely the views of all sections. It may not register evenly the views of the employers and the employees, and in many instances does not take into account, particularly in this kind of question, the views of the consumer, who is ultimately charged for any additional concessions granted. Only this morning the representatives of one of the largest industries in South Australia informed me that unless they could get some immediate relief they would have to seriously consider curtailing their activities because of possible undercutting from competition likely to come from overseas. In my opinion this is not the

time to heap up additional costs against production. Any such costs will not ultimately reflect to the benefit of employees, but to their disadvantage, because additional costs will seriously impair the opportunity of getting employment, for some of our industries may have to close if we do not maintain them upon a fair basis. The Government does not intend to introduce a Bill this session for compulsory long service leave and such a Bill is not awaiting consideration by the Cabinet.

LAND FOR SOLDIER SETTLEMENT.

Mr. PEARSON—I have been informed by a constituent that a property adjacent to—and almost surrounded by—the soldier settlement in the Wānilla area is coming on the market on October 13. Is the Minister of Lands aware that this land is becoming available and is he, or his department, interested in it for soldier settlement? If so, are any steps being taken to secure it?

The Hon. C. S. HINCKS—I am aware of the land mentioned. The Land Board has made an inspection of it and has put what it considers a reasonable price on it. We are now conferring with the Commonwealth Government in the hope that it will agree to that price so that the Land Board will be in a position to bid at the sale with a view to purchasing the land for soldier settlement.

FORESHORE REPAIR AND BOAT HAVENS.

Mr. McALEES—Has the Minister of Marine anything further to report in connection with boat havens at Moonta Bay or Wallaroo and about the repair of storm damage there?

The Hon. M. McINTOSH—Both questions are somewhat related. Since the honourable member's previous question was asked an investigation has been made by the Storm Damage Committee in collaboration with the Harbours Board. If the honourable member will repeat his question next Tuesday or Wednesday I shall have a fuller reply, but I assure him that his question has not been overlooked. It has been actively prosecuted to see, not what is the least we can do, but what is the most we can do.

STUDENT TEACHERS' ALLOWANCES.

Mr. DUNSTAN—On July 23 I asked the Minister representing the Minister of Education a question relating to allowances to student teachers at the Teachers College. I

understand that since then a petition has been presented to the Minister of Education on this subject by the students. Is anything being done at present to increase the allowances so as to get a larger influx of teacher trainees?

The Hon. T. PLAYFORD—At this time each year the question of the amounts to be paid to student teachers is reviewed and a recommendation is made by the Education Department, which is forwarded to the Treasury for a direct comparison with the amounts being paid by the non-claimant States. Under our present financial set-up this State's grant and all the appropriations that come from the Grants Commission are always based upon direct comparisons with the non-claimant States. The Education Department has forwarded its recommendation, which has been examined by the Economic Adviser of the Government. It is now ready for Cabinet decision. I cannot remember the figures involved in the computation, but the question will be decided either tomorrow or on Monday at the ordinary Cabinet meeting, because at this time of the year the Education Department always undertakes a recruiting campaign for additional staff for the ensuing year.

BOOKMAKERS' LICENCES.

Mr. FRED WALSH—I believe it was the first time this year for many years that applications for bookmakers' licences were called from the general public. Does the Betting Control Board intend to continue that policy in future; also, as each applicant was required to lodge a fee of £1 1s. with his application why was not the fee refunded to unsuccessful applicants?

The Hon. T. PLAYFORD—I will obtain a report from the chairman of the Betting Control Board and advise the honourable member in due course.

IMPORTED PREFABRICATED HOUSES.

Mr. JENNINGS—I am concerned that Housing Trust prefabricated homes are, because of their high rental of £3 5s. a week, being allocated only to those people with an assured high income, irrespective of how long their applications have been filed or the circumstances of the applicant. This inevitably means that many people who badly need homes cannot get them, whilst others whose need is not so great can easily get them purely because of their better financial position. This might be good business, but it is bad policy for a semi-governmental organization. Will the

Premier endeavour to make financial arrangements with the trust to enable it to allocate these houses to the people who need them most?

The Hon. T. PLAYFORD—The honourable member refers to timber-frame houses purchased from Great Britain for the purpose of sale. The trust found, however, that it had many more applications for rental houses than for houses for sale and the Government gave some assistance to the trust to enable it to let them. These houses are expensive and the trust is not in a position either to let them to persons who cannot pay the rent or to let them at a cheap rental. Amortization on a timber-frame house is heavier than on a brick house. They are additional houses and the fact that they are accommodating some people enables other houses to be more readily available to other classes of tenants for which the trust caters—and in its various schemes I think it caters for almost all classes of tenant.

BULK HANDLING OF WHEAT.

Mr. HEASLIP—Some years ago the question of bulk handling of wheat was referred to the Public Works Committee and from time to time, in the press and other quarters, statements have been made to the effect that a bulk handling scheme could be established which would not involve the taxpayers in any expenditure. In today's *Advertiser* again a correspondent says that the Public Works Committee could be excused for its apprehension about the financial angle if the scheme were to be financed by public money, but when the whole scheme is to be financed, owned and controlled by the wheatgrowers themselves, producers are asking why this matter was placed in the hands of the committee in the first place. Can the Premier offer any explanation which will clear up this matter?

The Hon. T. PLAYFORD—The Public Works Standing Committee Act provides that it shall not be lawful for the Treasurer to bring in a Bill involving an expenditure of £30,000 or more on any public work until it has been reported on by the Public Works Committee. The proposition considered by the Government at the time the matter was referred to the Committee would probably have involved the Government in millions of pounds. Since then one proposition was placed before the Government by the Australian Wheat Board which was made possible by an arrangement between the Government and the Broken Hill Proprietary Company in connection with its ore loading

installation at Ardrossan. The Public Works Committee speedily reported on this project because it did not involve Government expenditure, and as a result the Ardrossan facilities have become available for bulk handling of wheat. Since that time there have been a number of suggestions that a wheatgrower-controlled and owned scheme, financed from other than Government sources, should be considered, but no concrete proposal has ever come before Cabinet. There has been some correspondence with the Wheat Board but it has never amounted to a concrete proposal. If such a proposition came before the Government it would make a report by the Public Works Committee unnecessary. However, I cannot imagine any such scheme coming into operation because, even if the bulk handling installations were provided from other sources the cost to the railways and other Government authorities would be substantial; rolling stock would have to be modified and alterations made to railway terminals and sidings and harbour installations. The answer I have always given on behalf of the Government is that any definite proposal would receive speedy consideration. It would have to be submitted to Parliament and, like any other private Bill, referred to a Select Committee.

Mr. McALEES—A number of questions have been asked on the important matter of bulk handling of wheat in which I am as much interested as any other member. Has the Premier considered that if a bulk handling scheme is embarked upon at Wallaroo a number of men will be thrown out of employment? What will happen to them? Will the price of bread be any cheaper as the result of having a bulk handling scheme? At present, if bulk handling were embarked upon at Wallaroo, at least 600 families would have to look elsewhere for work, and it would have to be found for them in either the metropolitan area or in a big industry to be established at Wallaroo. I hope the Government will note this before embarking on a bulk handling scheme.

The Hon. T. PLAYFORD—Before it comes to a decision on any proposal the Government obviously considers all the relevant matters. At present there is no bulk handling proposition before the Government and I do not know whether a project will come from the Public Works Committee or some other source. Any proposal would ultimately have to be submitted to Parliament, and then Parliament could consider all the matters associated with it.

TAXI CAB INQUIRY COMMITTEE'S REPORT.

Mr. O'HALLORAN—Can copies of the report recently presented to the Government by the committee that inquired into the licensing of taxi cabs be made available to members?

The Hon. T. PLAYFORD—I have received a request from the member for Burnside on behalf of one council and I had proposed having a few copies roneoed, but probably the better procedure would be to have the report tabled so that it can be printed and thus become available to all members. I will be happy to do that.

HORSNELL GULLY RESERVE.

Mr. LAWN—There have been references in the press recently to the fact that the Government has acquired reserves and pleasure resorts in close proximity to the city of Adelaide. Since then I have received a complaint that on the direct representations of the Premier a person has been granted permission to quarry in Horsnell Gully, one of the reserves acquired by the Government. It is claimed by residents that the lessee says he has virtually an indefinite lease and is installing a considerable amount of expensive machinery. Does the Premier consider that, having acquired land for pleasure resorts, it should be scarred by permitting quarrying work? Will he look into the position and see if it can be corrected?

The Hon. T. PLAYFORD—The property first came under the notice of the Government when it was reported for sale as having been worked as a quarry. It was pointed out to the Government that as substantial quantities of stone for road-making purposes were falling into a limited number of hands it would probably be a good thing for the Government to purchase the property so that it would have at its disposal a quarry if one were required at any time. I know the property quite well because it is in my electoral district. It came under the notice of the Government as a property suitable for acquisition. It, of course, added to the substantial area of land that the Government has acquired at places in the hills. It was reported on favourably on the grounds that it would ensure that stone would be available at competitive prices for Government contracts, if such were necessary. The Government purchased the property and an application was received from interests who were quarrying right at the border of the property for the right to continue quarrying on the property acquired by the Government. That was agreed

to by the Government after I had personally inspected the position with appropriate officers to see if quarrying would create a nuisance. It has been quite a profitable investment for the Government because the royalties received have helped to defray the cost of the purchase of the property. In my opinion it is in no way being seriously impaired by quarrying operations. The persons operating the quarry are performing a useful function and I believe they should be allowed to continue. They are not working on the face of the Mount Lofty Ranges, as some other quarry people are, but in a back gully away from the public view. I suggest that is not the factor which is bringing about some opposition to their operations.

CONVEYANCE OF SCHOOL CHILDREN.

Mr. STOTT—Will the Minister of Works ascertain from the Minister of Education whether some contracts for conveying children to school have expired, whether it is a fact that some of the tenders were considered by the department to be too high, and did some departmental officers approach persons to put in reduced tenders in order to keep prices down to what is considered to be an economic level? If that is so, is it considered good Government policy?

The Hon. M. McINTOSH—Neither the lowest nor any tender is necessarily accepted. As trustees of the taxpayers' money it is the function of the department to see that the prices are economic, and if people do not tender on an economic basis we must see if we can get other tenders which are more economic, without necessarily bartering down. It is certain that a number of contracts have expired and if the tender prices are too high it is the obligation and the duty of the departmental officers to see if they can get more favourable prices for the services. If the honourable member desires specific inquiries and gives me the facts I will be glad to have them followed up.

PIG IRON SUPPLIES.

Mr. STEPHENS—Can the Premier say whether there is a shortage of pig iron in South Australia, and if so, what is the cause?

The Hon. T. PLAYFORD—I have not been informed of any such shortage; indeed, South Australia is a large producer and a regular exporter of pig iron. Some difficulty has occurred from time to time in getting supplies from Whyalla to Port Adelaide, and I am afraid that difficulty is tending to be accentuated rather than to diminish, but there is no over-all shortage in this State.

EYRE HIGHWAY.

Mr. RICHES—This morning's *Advertiser* reports a statement by Tommy Trinder, who usually greets people with the words "You lucky people" but who considers that the people on the far West Coast are not so lucky because the road west of Kimba is the worst on which he has driven in 17 countries. That opinion is endorsed by the people living in the district and by the Eyre Peninsula Local Government Association which has continually made representations for something to be done on this road, the main highway to the west. Will the Minister of Works call for a report from his officers on the condition of that road and for a statement as to what can reasonably be done to keep it in the best possible order?

The Hon. M. McINTOSH—Without wishing to be rude, I should think the honourable member would have enough business to look after in his own district. The member for Eyre (Mr. Christian) has a very large district and I am sure his representations have always been fully considered. He has taken up this matter not only once but many times. It is for the House to say whether more money shall be made available for roads. We cannot spend more unless we get more, and if the member for Stuart will support the taxation to give the Government increased road money more will be spent in that direction.

PUBLIC OFFICERS' SALARIES BILL.

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 fix the salaries of certain public officers and to repeal the Public Officers Salaries Act, 1952, and for other purposes.

Motion carried.

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

APPROPRIATION BILL No. 2.

A message was received from His Excellency the Governor recommending the House to make appropriation of the several sums set forth in the accompanying Estimates of Expenditure by the Government during the year ending June 30, 1954, for the purposes stated therein.

Referred to Committee of Supply.

THE BUDGET.

In Committee of Supply.

The Hon. T. PLAYFORD (Premier and Treasurer)—In the Estimates for the year ending June 30, 1954, I have budgeted for a surplus of £10,000. Total revenue for the year is estimated at £51,355,000, while expenditure is expected to amount to £51,345,000. It is gratifying to note that the estimated expenditure for this year (excluding Treasury transfers) is approximately 7 per cent above the expenditure for 1952-53. This relatively small increase gives a much healthier economic outlook for the future when compared with the percentage increases in actual expenditure for the last four years, which were as follows:—

| | Percentage increase in actual expenditure above the preceding year. |
|-----------------------------|--|
| 1949-50 | 20.1 |
| 1950-51 | 16.9 |
| 1951-52 | 21.8 |
| 1952-53 | 17.9 |
| 1953-54 (estimated) | 7.1 |

The moderate percentage increase in estimated expenditure for 1953-54, compared with the other figures, after allowing for some small expansion of Government services, indicates that the dangerous inflationary spiral has been substantially checked and that the price structure is becoming much more stable.

In the Budget for 1953-54 it has been necessary to provide for increased harbour charges and increased motor taxation. Measures to implement these proposals will be placed before the House shortly. The increase in motor taxation is designed to raise an additional £1,100,000 in a full year of operations, and about £650,000 in the remainder of the present financial year. Under existing conditions there is available for roads, annually, about £1,675,000 from the petrol tax allocation and about £1,550,000 from present motor taxation. These funds are inadequate to provide for the proper maintenance of our roads and for the construction of essential new highways. Road requirements are increasing with increased numbers of vehicles and increased use of heavy commercial vehicles. The necessity to provide further assistance to local councils for road purposes would impose a heavy drain on road funds. Motor vehicle taxation rates are the same now as they were before the war, with the result that highways revenues have by no means matched the heavy increases in road construction costs in recent years. The additional moneys will be earmarked for the Highways Fund for expenditure on roads. All the

additional money received from the proposed increases in motor taxation will be ear-marked for the Highways Fund for road purposes and to that extent it has really little bearing on the Budget as a whole; as it is only available for road purposes.

Mr. O'Halloran—Will there be greater Parliamentary control?

The Hon. T. PLAYFORD—Yes. Under legislation already considered a Minister will be appointed whose principal function will be to supervise our road programme.

Mr. Frank Walsh—Will he be in this House?

The Hon. T. PLAYFORD—He will be in another place. Members have requested that the Minister of Education should be in this Chamber and obviously the second Minister cannot be here unless one of the present portfolios is transferred. No decision has been made in that respect.

The proposal to increase certain charges made by the Harbors Board is designed to raise a further £400,000 from a full year's operation, or about £155,000 for the balance of this financial year. There have been no major upward adjustments in harbours charges since 1930, and many concessional rates, which were justified in the decade before the war, still remain. The proposal envisages the withdrawal of some of these concessions together with increases in wharfage rates and in charges made for services provided by the board. Until 1951-52, when the Harbors Board revenue and expenditure virtually balanced, this undertaking had for many years made a substantial contribution to the Budget. However, in 1952-53, the loss was about £125,000; this year it is anticipated that the loss will be about £300,000; and, notwithstanding the proposed increase in charges, it is not anticipated that the operations for 1954-55 will result in a surplus. Before proceeding to discuss the details of this year's Estimates I will give members some information on the budgetary results for the 1952-53 financial year.

THE YEAR 1952-53.

Total expenditure of £49,076,490 was incurred against total revenue of £49,101,439, resulting in a surplus of £24,949. When the Budget was introduced in 1952 the surplus was estimated at £12,000. Subsequently, supplementary estimates totalling £1,175,500 were introduced. These provided for grants to certain hospitals; further financial assistance towards the working expenses of the Municipal Tramways Trust; funds for the provision of

roads in temporary housing areas; and an additional grant to the University of Adelaide. Also included in these Estimates was £200,000 to enable the Government to make grants to local authorities to reinstate public property on the foreshores which was damaged by the severe storm of May 18 this year. Amounts of £120,000 and £500,000 were provided for payment to the Highways Fund. The former amount was to provide developmental roads of access to war service land settlement properties, whilst the amount of £500,000 was voted for developmental roads in country areas. If the supplementary estimates had not provided for the expenditures totalling £1,175,500 it would have been necessary to make provision for sums totalling this amount in this year's estimates, as the moneys voted were for urgent and necessary expenditures; to this extent, then, the expenditure estimates for this year have been relieved. The fact that a surplus was finally achieved in 1952-53 was, in part, the result of strict control of departmental expenditures, coupled with some unexpected increases in revenue and decreases in anticipated expenditure due to the greater stability of prices and wages.

Comparison of revenue for 1952-53 with the results for 1951-52 show that the receipts from State taxation rose by £199,000 to £4,992,000, the main increases being in land tax—£169,000, stamp duties—£47,000, and motor vehicle taxation—£112,000, while the yield from succession duties fell by £80,000. Recoveries in the nature of fees, earnings and recoups in respect of social services increased from £1,157,000 to £1,338,000, principally due to increased reimbursements from the Commonwealth under the tuberculosis scheme. Earnings of public utilities (exclusive of Treasury transfers) increased by £2,428,000 from £12,933,000 to £15,361,000, principally due to increased railway earnings of £2,198,000, and increased earnings of £148,000 from water and sewerage rates. Recoveries of interest and sinking fund increased by £557,000 as a result of the greater debt servicing charges received in respect of loans made by the Treasurer to the Electricity Trust of South Australia, the Housing Trust, the Municipal Tramways Trust, and the uranium project. Commonwealth grants made pursuant to the Financial Agreement, the Uniform Tax Scheme, and in accordance with the Commonwealth Grants Commission's recommendations under section 96 of the Constitution, increased from £15,462,000 to £18,644,000.

On the expenditure side, social service expenditure was £2,066,000 higher at

£11,922,000, and reflects the higher cost of providing education, hospitalization, and other social services, as well as some extensions of these services which my Government has considered are warranted. Expenditures of public utilities, excluding debt charges, increased by £2,192,000, of which £1,862,000 was due to increased expenditure by the railways. Interest and sinking fund commitments under the Financial Agreement increased by £575,000 to £7,069,000. Expenditure in connection with the development of State resources increased by £604,000. This includes expenditure on roads, agriculture, mining, and exploratory and developmental work. The further increases in wages and salaries, and in the cost of materials and stores, made all departments more costly to administer in 1952-53 than in the preceding year. The operating costs and revenues of public utilities have an important bearing on the revenue finances of the State. The extent to which these undertakings have imposed charges on the Budget is shown by the following net costs over the last five financial years:—

| | £ millions. |
|-------------------|----------------|
| 1948-49 | 4.647 |
| 1949-50 | 5.410 |
| 1950-51 | 6.759 |
| 1951-52 | 7.794 |
| 1952-53 | 7.613 |

Operating expenses in connection with these undertakings continued to increase. In 1951-52 operating expenses, excluding £5,050,000 of Treasury transfers to railways, were £16,235,000; in 1952-53 these expenses increased by £2,311,000 to £18,546,000. Revenue from these utilities increased by £3,049,000 to £17,984,000. It will be seen that a substantial net improvement in the finances of public utilities amounted to £738,000 for the year. Some of the cost on the Budget arises from the Government's policy of providing essential amenities in the country, on a similar basis to the more densely populated urban areas. This policy involves higher costs, some of which are met from the Budget.

PUBLIC DEBT.

The public debt (stock, bills and debentures) of the State as at June 30, 1951, 1952, and 1953, and the increase from year to year were:—

| | £ | Increase. £ |
|----------------|-------------|----------------|
| 1951 | 148,388,000 | 15,213,000 |
| 1952 | 173,436,000 | 25,048,000 |
| 1953 | 194,853,000 | 21,417,000 |

The increase of £21,417,000 in the debt during 1952-53 is a net figure, and is made up as follows:—

| | £ |
|---|------------|
| Borrowings—new money | 22,965,000 |
| Less face value of securities redeemed and purchased by the National Debt Commission on behalf of the State | 1,548,000 |

Net increase in the public debt during 1952-53 £21,417,000

New borrowings for the year were obtained from the following sources:—

| | £ |
|--|------------|
| (1) Raised by the Commonwealth Government on behalf of the State pursuant to the Financial Agreement | 21,352,000 |
| (2) Borrowed by the State from Ministry of Supply, United Kingdom, pursuant to the Financial Agreement | 349,000 |
| (3) Borrowed by the State from Export-Import Bank, Washington, U.S.A., pursuant to the Financial Agreement | 755,000 |
| (4) Borrowed by the State from the Savings Bank of South Australia pursuant to the Financial Agreement | 500,000 |
| (5) Investment by the Silicosis Committee | 6,000 |
| (6) Investment by the Parliamentary Superannuation Fund trustees | 3,000 |

Mr. Stephens—What is the rate of interest on those loans?

The Hon. T. PLAYFORD—They vary. I think the bulk of the money borrowed from the Commonwealth Government is at the rate of $4\frac{1}{2}$ per cent and that raised overseas carries a rate of 4 per cent. Borrowings from the Savings Bank would probably be in accordance with the current Australian rate of $4\frac{1}{2}$ per cent or $4\frac{3}{4}$ per cent. Similarly, the small investments would be at current rates. Borrowings authorized by the Loan Council seem to be settling down now at $4\frac{1}{2}$ per cent. In addition to the borrowings under the heading of Public Debt, the Treasurer also has at his disposal, trust funds borrowed pursuant to the Public Finance Act. At June 30, 1953, these funds amounted to £2,573,374. The principal moneys held in trust funds are the operating funds of the Leigh Creek coalfield, South Australian Housing Trust, and a number of Superannuation Funds and funds of charitable and patriotic bodies. Against the amounts so borrowed, the Treasurer's cash resources at June 30, 1953, amounted to £7,826,000.

NATIONAL DEBT SINKING FUND.

Under the provisions of the Financial Agreement contributions are made annually by the Commonwealth and State Governments to the National Debt Sinking Fund. These contributions are used for the purchase and redemption of Commonwealth stock, Bonds, and Debentures. The moneys paid to and earned by the commission on behalf of this State during 1952-53, amounted to £1,836,000, made up as follows:—

| | |
|---|-----------|
| | £ |
| Contributions by Commonwealth | 376,000 |
| Contributions by State | 1,451,000 |
| Interest earned by the fund | 9,000 |

On June 30, 1952, the commission held on behalf of the State £312,000, which, added to the income, made a total of £2,148,000 available to the commission for use on behalf of the State pursuant to the National Debt Commission Act. During the year, the Commission purchased and redeemed securities with a face value of £1,548,000 at a cost of £1,428,000, leaving a balance of moneys in the hands of the commission at June 30, 1953, of £720,000.

ESTIMATES FOR 1953-54.

In Appendix No. 8 to this financial statement the principal items of revenue and expenditure for 1953-54 are set out, comparing those items with similar items of actual revenue and expenditure for 1951-52 and 1952-53. For the information of members I now propose to comment on some of the more important of the items included in this year's Estimates and to give explanations of certain of the larger variations as disclosed by this statement.

REVENUE.

The total estimated for the year 1953-54 is £51,355,000, which is £2,254,000 greater than actual revenue collected in 1952-53.

Taxation.—I have estimated revenue from State taxation at £5,901,000, which is nearly £1,000,000 greater than State taxation collections last year. The principal factor contributing to this estimated increase is the revenue from the proposed alterations to motor vehicles taxation, drivers' licences, and other sundry fees under the Road Traffic Act. The Government has decided not to make any increase in the present registration fees or drivers' licences payable by incapacitated ex-servicemen, and to discontinue the present fee for registration of electrically or mechanically propelled invalids' chairs and the fee required under present legislation to drive such a vehicle. Registration and drivers' licences

will be required but will be effected without charge. The Highways Act provides that the proceeds of motor vehicles taxation, after deducting administrative expenses in connection with the Motor Vehicles Department and the Highways and Local Government Department, and debt charges in connection with loans raised for road purposes, shall be paid to the Highways Fund for expenditure on the State roads system. Therefore the whole of the additional proceeds arising from the proposed increases will be available for expenditure upon roads.

Social Services.—Recoveries in the nature of fees, earnings and recoups in respect of social services are expected to yield £1,452,000 in 1953-54, which is £114,000 greater than the revenue actually received last year. The principal increase in this section arises from increased reimbursements from the Commonwealth under the Commonwealth tuberculosis scheme, whereby the Commonwealth reimburses the State for all capital expenditure on approved tuberculosis projects, and in addition, recoups the State for costs of operating and maintaining tuberculosis services in excess of costs met by the State during the base year 1947-48. Increased revenue will also be received from the Commonwealth as grants for University purposes.

Public Utilities.—I have estimated railway revenues for 1953-54 at £12,600,000 (excluding Treasury transfers of £4,000,000). The last increase made in railways freights and fares operated from July 1, 1952. It is not at present proposed to make any further variations to railway charges, so that the revenue estimated for this year, as compared with actual receipts for 1952-53—£11,616,000—shows an increase of £984,000, which arises entirely from estimated increased traffic. Harbours revenue for this financial year is estimated at £1,500,000, which is £216,000 greater than actual collections last year. The Government has given consideration to proposals to increase harbour charges which, as I explained earlier, have been static for very many years, and the new harbours tariffs to be introduced during this financial year will yield an additional £155,000. Additional revenue amounting to £105,000 is expected from water supply and sewerage charges. This arises almost entirely from new connections made to dwellings in both country and metropolitan areas.

Other.—The principal increase in other miscellaneous revenues is in respect of recoveries of interest and sinking fund, where

it is estimated that £2,924,000 will be received during 1953-54, an increase of £438,000 over actual revenue for 1952-53. This follows the increased borrowings made by various semi-governmental authorities from the Government.

Commonwealth Grants—This year the State will receive £12,188,000 under the taxation reimbursement arrangement, as compared with £11,597,000 received last year. The report of the Commonwealth Grants Commission has not yet been presented to the Commonwealth Parliament, but for the purposes of framing this Budget it has been estimated that the grant to be paid to this State under section 96 of the Constitution, and arising from the recommendations of the Grants Commission, will approximate £6,100,000. I cannot let this occasion pass without paying sincere tribute to the work done on the Commonwealth Grants Commission by the late Professor Gordon Wood. Professor Wood became a member of the Grants Commission in 1936 and gave 17 years of continuous meritorious service to this important public body. He will be greatly missed, and I take this opportunity of placing on record my Government's appreciation of the services rendered by this eminent scholar and gentleman.

EXPENDITURE.

The total expenditure provided in the Estimates for 1953-54 is £51,345,000, which is £2,269,000 higher than the actual expenditure last year. The proposed expenditure for 1953-54, classified according to functions, are shown in appendix 8 of this Financial Statement, and the complete detail showing all items of proposed expenditure is shown in the Estimates which have been made available to members. I propose, therefore, to confine my remarks to comments on the more important of the items included in the Estimates. May I refer members now to appendix 8 of this Financial Statement.

Social Expenditure—Education, Science, Art, and Research—£6,162,000; an increase of £459,000. Expenditure on the provision of educational services has risen markedly since the end of the war. In fact, statistics show that the net expenditure per head of the population in this State on education services doubled between 1947-48 and 1952-53.

Mr. Stephens—How do we compare with other States in regard to this expenditure?

The Hon. T. PLAYFORD—The last table I saw showed we were spending a little more than the average of the Australian States. To that extent our grant would be affected slightly,

but as we make corresponding savings in other directions it does not affect the grant at present. Our expenditure on educational services is slightly higher than the Australian average.

Medical, Health, and Recreation—£4,553,000; an increase of £587,000. Here again, the experience is that the cost of providing materials, foodstuffs, medicines, drugs, and for staffing and operating our medical and health services, have doubled since 1947-48. This year's increase arises, in part, from the fact that during 1953-54 it is expected that the new Western Districts Hospital will be opened.

Public Utilities—£18,473,000; an increase of £485,000.

Railways—Notwithstanding an estimated increase in railway traffic, the estimated expenditure for railways, at £14,765,000, is practically the same as last year's expenditure. The increased costs of operating, arising from more traffic and from wages and salary increases and increases in the cost of materials as compared with 1952-53, is very largely offset by savings which will occur in the price to be paid for fuel for locomotives, particularly the greater use of fuel oil. In all, the expenditure on fuel in 1953-54 is estimated to be of the order of £235,000 less than last year.

Harbors—Harbors expenditure, estimated at £1,394,000, is £304,000 greater than actual expenditure last year. This provision has been necessitated by higher working expenses and by the large amount of maintenance work which must be carried out to keep existing harbours facilities in proper order and condition.

Mr. Stephens—None of that expenditure is part of the 50-year plan is it?

The Hon. T. PLAYFORD—The 50-year plan is mainly financed by loan funds; the work included here is maintenance of existing facilities, which during the war depreciated badly because they were used to a maximum extent at a time when labour and materials were not available. The additional £304,000 provided this year is largely to catch up on some of the work which lagged behind during the war years, and that is why it comes out of revenue; we are not creating a new asset, but repairing an old one.

Interest, £6,581,000, and Sinking Fund—£1,639,000. These amounts are estimated to be required to meet our obligations in respect of debt servicing during this financial year. They exceed last year's payments by £984,000 and £167,000 respectively, and the increases are occasioned by the increases in Governmental borrowings.

State resources—£3,659,000; an increase of £309,000. This section includes the expenditures of the Lands, Agriculture, Highways, and Mines Departments, and, in respect of the last of these, substantially increased expenditures will be made this year, when it is proposed to intensify the search for new uranium deposits within the State.

Other Administrative and Service Departments will cost more during 1953-54 than in 1952-53 because of the increases in salaries and wages and increased costs of materials generally, but this year those increases will only be of the order of 5 to 6 per cent of last year's expenditure.

Financial Transfers—By virtue of progressive increases in the schedule of freights and fares, allied with increased traffic and more efficient working by the railways, it has been possible to progressively reduce the amount of assistance given to the railways by Treasury transfers in the last three years, and this year the amount to be transferred is £4,000,000, which is £850,000 less than the amount transferred last year and £1,050,000 less than the amount transferred in 1951-52. It will again be necessary for the Government to make a contribution towards the working expenses of the Municipal Tramways Trust. The newly constituted trust has made a start in tackling the problem of rehabilitating the finances of the Tramways Trust and has made some progress since it was appointed in February last. The measures include reorganization of the workshops, replacement of obsolete rolling stock by more efficient modern units, an acceleration of the changeover to the use of power from the Electricity Trust, and a close review of the services provided. The modernization of the plant, in particular, is necessarily a long process, and in the meantime continued financial support will be unavoidable. Last year a grant of £700,000 was made towards operating expenses, and the actual loss for the 12 months to June, 1953, exceeded this by £63,800. It is proposed this year to provide for assistance to the extent of £600,000 to the Municipal Tramways Trust.

Mr. Riches—Is that in addition to the amount already quoted?

The Hon. T. PLAYFORD—It is additional to the £700,000 provided last year.

Mr. Shannon—The £700,000 has gone down the sink.

The Hon. T. PLAYFORD—It has been voted and paid over. This year it is proposed to make a further £600,000 available for the assistance of the trust.

FINANCIAL AND ECONOMIC MATTERS.

The failure of the Commonwealth and the States to arrive at mutual agreement to restore to the States their income-taxing powers constitutes the greatest problem in Australian public finance. The Commonwealth Government, more than a year ago, indicated its desire and intention to restore those powers. Following detailed investigations by senior Treasury officers from all Governments, four of the State Premiers have told the Prime Minister that they desire to resume responsibility for the determination of their own income tax revenues, subject only to agreement upon a method of assessment to eliminate any possible duplication, and an adequate retirement from the present tax field by the Commonwealth. The States desiring to re-assume tax responsibility are New South Wales, Victoria, Queensland, and South Australia. On the other hand Western Australia and Tasmania favour continuing the present system. The next move is therefore for the Commonwealth. Before further progress can be made it must say to what extent it is prepared to co-operate with the States in establishing a single administrative agency for the assessment and collection of taxes to be determined by the various Parliaments, and to what extent it is prepared to abate its present levies to allow the States a reasonable revenue field, without the necessity for added imposts upon taxpayers. The South Australian Government has urged, and will continue to urge, upon the Prime Minister the great desirability for an early arrangement which will end the present system of Tax Reimbursement Grants which is, by its nature, unreasonable to the States and is contrary to basic principles of sound and responsible public finance. I would again assure members of this House and the public generally that under any reasonable arrangement for the return of income tax powers to this State, the State should be able to meet its necessities with rates very much below pre-war rates, and that South Australia would be one of the lower taxed States and not one of the higher as it was pre-war.

I am very happy to report that the public loan market is much improved upon what it was when my last Budget was presented. There was then an upward movement in interest rates which, so far from increasing public loan subscriptions, seemed to be encouraging investors to desist in anticipation of still further rises. Further, there were excessive, unco-ordinated, and competitive approaches to the

loan market by semi-Governmental authorities for borrowing in the Eastern States, and this was seriously prejudicing both their own finances and those of the States themselves. A firm attitude by the Loan Council has now succeeded in stabilizing the Governmental loan rate at $4\frac{1}{2}$ per cent, and recent issues at that rate are selling on stock exchanges at a small premium. The semi-Governmental rate has been held at $4\frac{1}{2}$ per cent and a more co-ordinated approach to the market arranged so that, whilst all issues have not been fully successful, much more satisfactory results have been achieved. In the semi-Governmental borrowing field, the operations in this State have been most successful and gratifying. Two approaches to the local market have been made during the past 12 months, one by the Electricity Trust of South Australia in August for £1,000,000, and one by the Housing Trust for £750,000 in February last. Both were over-subscribed before the closing date and a large number of applications had to be returned, whilst the Electricity Trust loan was actually over-subscribed before the end of the second day of the 14 days it was proposed to hold the loan open. This latter was even more pleasing as the rate of interest was $4\frac{1}{2}$ per cent, as compared with $4\frac{3}{4}$ per cent for similar loans being floated in other states. The results are a high tribute to the confidence of South Australians in their local public utilities and their loyalty to their State, particularly as a very high proportion of subscriptions came from many investors of limited means.

I have referred earlier to the fact that I have found it possible to budget for very small increases in total expenditure, because prices and wages would appear to be nearly stable. The transition from rapid inflation, which was still evident a little over 12 months ago, to virtual stability today has been achieved with an astonishing small amount of dislocation of industry and employment. Even in the Eastern States, where the effects were considerably greater than in this State, the dislocation was only minor and temporary. In this State, partly because of the steady uninterrupted operation of our Housing Trust and Government development works, and without doubt partly because of the inherent stability of our people and industry, the effects were even less and of shorter duration than elsewhere. This is the more remarkable as it is the first time in economic history that any industrialized country has been able to

stem inflation and restore stability without paying a heavy price in dislocation and unemployment.

The availability of basic materials, essential to industry, is also radically improved. Black coal production in New South Wales is entirely sufficient to meet all demands, the only outstanding problem to this State being to secure regular supplies by shipping. Leigh Creek coal supplies are being maintained at the maximum which the Commonwealth Railways can transport at present, but this falls short of our requirements. The deficiency will not be overcome until the new standard gauge line is completed, which is planned for the end of 1954. Steel products are greatly improved in supply but at the moment there is a bottleneck in shipping from New South Wales. Cement production in this State has been recently doubled by additional capacity and will now rapidly overtake the previously pent-up demands. Building activity is proceeding at an all time record level. Production of electricity proceeds from new record to further record levels in coping with the demands for both domestic and industrial purposes. The Electricity Trust, by continually extending its capacity, saw the 1953 winter peak demand through without any necessity for restriction. In fact, electricity supplies have never been restricted in South Australia because of shortage of plant, as has occurred in the eastern States. After next winter, during which the trust is confident it can meet the expected increase in demand, the greatly increased generating capacity at Port Augusta and Osborne should ensure an ample margin of safety in power supplies in this State. In secondary industries, generally, whilst prospects are generally good, there is increasing necessity to pay close attention to cost of production. Because of the recent inflation many industries, whose costs were well below competitive import costs, now face the prospect of import competition. Greater efficiency in production, to obtain both a greater productivity per unit of labour and plant employed, and to obtain a higher grade product, is a vitally necessary objective. During the past 18 months there has been accumulating evidence of worthwhile increases in productivity in local industry, and this must continue if the future of our secondary industry is to be assured.

In primary industry, we have again been favoured with good seasons. Last year saw an all-time record production of grain, both in volume and in yield per acre, and this season,

although it opened late, promises to be quite up to average. In fact, the run of seasons in this State over the last 15 years has been easily the best in the history of the State, 1944-45 being the only adverse season during that period. As a result of this, and the good prices achieved over that same period, the rural industries generally are in a very strong position. There is a danger, however, that the very good run of seasons, and perhaps even better run of rural prices over those 15 years, may blind people to the risks of more adverse circumstances. Most of the South Australian settled areas are subject to periodic drought, apart from the lesser risks of flood, bushfire, hail, and frost. Rural industry is financially better equipped than ever before to stand the temporary ravages of unfavourable climate, but the effect of such a possible misadventure upon our economy and upon our public finances must not be under-estimated. Public finances could suffer to the extent of two or three million pounds, or even more, in a drought year. This is one strong reason why the Government, instead of using its recent Budget surpluses to assist the current Budget, has decided it should provide for a small surplus this year, and hold its surpluses in reserve against less favourable times. In prices and disposal of primary produce the outlook, though still reasonably good, is not wholly optimistic. Wool, following the fall from the 1950-51 peak, has recovered and remained at a level which, by any standard, is highly satisfactory. Further, the future outlook is good so far as supplies and demand for wool are concerned, although it should not be forgotten that the effective world demand is in some measure supported by the state of international tension, and by special dollar aid to a number of woolbuying countries. With beef and lamb, too, the outlook for demand is good and prices are reasonable. With wheat, whilst the overseas price remains high, the outlook is clouded by large surpluses in North America, and the free world price is supported largely by anticipations that the United States will continue its price-support scheme for its own large production. At present, too, difficulties are being experienced in securing unanimity among the States in respect to the local and overseas marketing of wheat. If these are not shortly overcome, problems will arise in both the financing and disposing of the forthcoming crop.

There is evidence that the dairying industry is again approaching a critical stage in its marketing. For some time the industry has

attempted to match its increasing costs by a higher price for its local sales sufficient to make up for the fact that overseas prices were lagging behind costs. However, recent local price rises have so severely reduced local consumption that this expedient, as well as being unreasonable to the local consumer, no longer produces appreciable increases in over-all returns. It would appear that a large and assured market for much of our dairy produce will continue abroad, and particularly in England, but that prices obtainable will be limited by the availability of North European products at lower costs because of nearness to the market. It would seem that, as with secondary industry the dairying industry must attempt to secure its future by the closest attention to reduction of costs and improvement in productivity. In our dried and canned fruit industry there is a fairly similar situation to that of the dairying industry. There are practical limits by which overseas sales can be subsidized by higher local prices, and local sales have already reacted with raised prices. There is an unsatisfied overseas market, but because of alternative lower cost supplies, produced nearer to the British market, there is a severe competitive limit to the price obtainable. In this industry, too, the closest attention to cost and productivity is vital. Notwithstanding these warnings against complacency, which I have thought it necessary to give in the present prosperous conditions, I would not have it, thought that I am pessimistic of the State's future. Far from it. So much has been achieved in the past 20 years, so much solidly built, such a wealth of experience built up, and such a demonstration given of what South Australian people can achieve, that there is every reason to expect that those great qualities of our people, of self-reliance, initiative, and enterprise, will ensure that the next 20 years will bring progress and prosperity as yet unparalleled in this country.

I pay a tribute to Mr. Drew, Mr. Seaman, Mr. Carey, and other officers of the Treasury Department for the work they do. On many occasions I have appeared before the Commonwealth Grants Commission and many times the chairman, who is one of the most competent accountants in Australia, has complimented me on the way the Treasury documents have been produced. I owe a great debt of gratitude to Mr. Drew and his staff. We should be proud of the work they accomplish without fuss, the courtesy they give to the public when answering queries, their great efficiency, and the

effective way they maintain State accounts. Mr. Drew has undertaken, apart from his Treasury work, many other duties requiring high administrative qualifications. For instance, he is the chairman of the Electricity Trust, and that it has been so singularly successful in its operations is in no small measure due to the oversight exercised by Mr. Drew and the other members of the trust. In the printed Budget there is no reference to the excellent work performed by him, so I publicly give him the highest praise for the service he

renders so unstintingly to the State. I move the adoption of the first line of the Estimates.

Progress reported; Committee to sit again.

LANDLORD AND TENANT (CONTROL OF
RENTS) ACT AMENDMENT BILL.

Read a third time and passed.

ADJOURNMENT.

At 4.13 p.m. the House adjourned until
Tuesday, October 6, at 2 p.m.