

HOUSE OF ASSEMBLY.

Tuesday, October 13, 1953.

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

QUESTIONS.**URANIUM STOCK PILE.**

Mr. O'HALLORAN—There has been a good deal of speculation in the press recently about negotiations alleged to have taken place regarding the disposal of uranium produced in Australia. I do not expect the Premier to be able to say how much has been sold and at what price, but in view of considerable doubts expressed outside I ask him whether sufficient uranium produced in South Australia will be available for an industrial stockpile if and when such a stockpile becomes possible?

The Hon. T. PLAYFORD—The only arrangement South Australia has entered into for the sale of uranium was one with the Combined Development Agency. That took place about 18 months or two years ago and provided for certain finance to be available to the State to enable it to develop the Radium Hill project, but it only provided for a limited quantity of uranium to be sold for a certain period. I give an unqualified assurance that South Australian industrial expansion was taken care of during the discussion; in fact, the plans which led to the discovering of Radium Hill and other localities were not lost sight of, and this State's future industrial capacity has been adequately safeguarded. Current investigations are all the time finding more uranium, and this will add still further to the potential stockpile we shall have in this State.

CALLINGTON LEVEL CROSSING FATALITY.

Mr. WHITE—I have no doubt that the Minister of Railways has read the newspaper report of the level crossing accident near Callington in which two people were killed last Sunday morning. The crossing is over the main road to Strathalbyn. It is classed as a highway and carries a large volume of road traffic because, in addition to being a main artery to Strathalbyn, it is also used to get to some of the south coast towns such as Goolwa, Port Elliot, and Victor Harbour. The railway line is, of course, the main line from South Australia to the other States and is therefore a very busy one. There have been at least five accidents at this crossing in recent years and, in addition to the two victims of last Sunday's accident, I know of

one other person who lost his life there. In view of the busy nature of this crossing and the number of accidents that seem to occur there, will the Minister consider the installation of some additional warning to road traffic users at this place? I realize that to look at the crossing one would not think an accident would ever occur at that place, but there are probably reasons other than pure negligence for accidents there.

The Hon. M. McINTOSH—I am sure the sympathy of the whole House and of all South Australians goes out to those who have been bereaved. There has been much sorrow at the loss of two young people just entering on married life, and anything that can be done towards alleviating distress and the removal of danger will be done. However, I point out that despite all warnings at railway crossings we have such accidents. South Australia has by far the greatest number of automatic signals of any State. Victoria has gates at similar crossings, but in many instances they have been crashed through. That shows the human element can never be removed, no matter what precautions are taken. I do not wish to add to the distress of the bereaved in this case by saying that perhaps the accident was not the fault of the crossing, but of untoward circumstances. Following on the honourable member's suggestion every means will be taken to see that adequate safeguards are adopted, not only at this crossing but at others, if we have failed in that direction in the past, though generally speaking I do not think we have.

FRUIT FLY AREA.

Mr. DUNSTAN—Is the Minister of Agriculture aware that portions of the defined fruit fly area are slightly more than one mile from Edward Street, Norwood, where the fruit fly was found. I refer in particular to Dudley Road and the east side of Clapton Street, Marryatville. Will the Minister examine the fruit fly area to see that areas beyond a mile's radius are not included in the defined fruit fly area?

The Hon. Sir GEORGE JENKINS—In defining the area which has to be stripped the general practice is to take a radius of one mile from the outbreak, but in fixing the actual area it necessarily follows that it must follow certain streets, and certain angles come into the question. Therefore some boundaries of the area must exceed slightly a mile's radius from the outbreak and others will be slightly less than a mile. It is to some extent a matter

of convenience; in practice it is not usually possible to define an area of just a mile radius throughout. However, I will bring the question to the notice of the Chief Horticulturist and ask him whether he has, in this instance, exceeded the area which it is customary to declare.

REGISTRATION OF MOTOR FLEETS.

Mr. FRANK WALSH—Has the Treasurer a reply to my recent question regarding the registration of motor fleets?

The Hon. T. PLAYFORD—The Registrar of Motor Vehicles reports:—

Under the provisions of the Road-Traffic Act a motor vehicle can be registered only for a period of 12 months or six months. This means that if vehicles are registered in different months of the year the expiry date of the registrations will differ. When all registrations did expire on one date, many requests were received from owners of large fleets for a staggering of the expiry dates on the ground that it was inconvenient, and often meant increasing a bank overdraft, to provide large sums for renewal of registrations at any one date. It would be inconvenient to the department and increase staff difficulties if owners could choose to register a motor vehicle for any number of months from one to 12. This would be necessary if the expiry date of a new registration was to coincide with the expiry date of an earlier registration. Many owners of large fleets might choose for all their registrations to expire on June 30 or December 31, or some other inconvenient date, and the benefits of the present staggering of expiry dates would be largely lost. I do not think the Act should be altered to suit a few owners who might like all their registrations to expire on one date.

INSURANCE OF HOUSING TRUST HOMES.

Mr. STEPHENS—Can the Premier say whether the Housing Trust has insured all the houses it has erected and will he ask the trust for a return showing the insurance cover on all classes of its houses, including those built for sale and for letting and as temporary homes, as well as on houses in the course of construction, and the total payments made for such insurance cover?

The Hon. T. PLAYFORD—I am given to understand it is the policy of the trust to insure all its property. It would not, of course, carry an insurance on a house sold to a private owner, for it would then become a duty of the private owner to insure it, although if there were a mortgage on the house no doubt the trust would insist that the owner insure it. I will see if I can get for the honourable member the cost to the Housing Trust of insurance.

BULK HANDLING COSTS.

Mr. SHANNON—Yesterday's *Advertiser* contained a letter over the signature of the South Australian growers' representative on the Australian Wheat Board (Mr. C. T. Chapman), in which he made the amazing statement that the wheatgrowers of Australia, including those of South Australia, where there is no bulk handling installation except a small one at Ardrossan, contribute 5 per cent depreciation on the cost of bulk handling installations wherever they happen to be. New South Wales, Victoria and Western Australia have bulk handling at present. In addition, the growers contribute 3½ per cent interest on the capital cost involved. In view of the fact that South Australian wheatgrowers have obviously been subsidizing the general Australian Wheat Pool to that extent, will the Minister of Agriculture get an assurance that they will not be expected to subsidize other wheatgrowers, particularly those of New South Wales and Victoria, where, owing to the carry over from the last harvest the silos are still full and farmers have been advised by the Wheat Board that they will have to buy sacks to store their wheat on farms until silos can accommodate the coming harvest? If the policy which has been pursued with regard to bulk handling is pursued with regard to the buying of sacks for the purpose mentioned, the South Australian wheatgrower could be mulcted in a considerable sum. Will the Minister secure from the Australian Wheat Board's representative in this State an assurance that any expenditure on bags which occurs as a result of the carry over of wheat, particularly in the eastern States, will not in any way affect the return to South Australian growers from the Australian Wheat Pool?

The Hon. Sir GEORGE JENKINS—The question is one which I am sure I would not be expected to be in a position to answer off-hand, for it affects a Federal Department. I will draw the attention of the Federal Minister for Commerce and Agriculture to it and ask him for an assurance on the matter.

Mr. STOTT—Will the Minister ascertain from the Australian Wheat Board whether the interest charges alleged in the statement by the member for Onkaparinga are not a legitimate charge for services rendered by bulk handling facilities in exactly the same way as rentals for railway or Harbors Board property? Is it not a fact that those interest charges are a general charge against the whole of the pool as are any other administrative charges? Have not the growers in other States also made a

contribution in the same manner towards the Ardrossan silo, and is it not a fact that had bulk handling been adopted in South Australia five or six years ago the interest charges would have meant a great saving to South Australian growers compared with the colossal cost of cornsacks?

The Hon. Sir GEORGE JENKINS—I will bring the honourable member's questions under the notice of the Federal Minister for Commerce and Agriculture.

HOSPITAL BENEFITS SCHEME.

Mr. STOTT—I have received a communication from a constituent stating that he has been a member of a community benefit hospital association since 1951, and that on June 6 last his wife became an inmate of a hospital and later made claims against the organization in accordance with the scale of benefits published by the society. He wrote three times to the managing director of the concern and sent a registered letter to its secretary, but has received no reply. If I give the Premier full details of the matter will he inquire into it, not only for the benefit of this person, but also for that of others who may be caught in the same way?

The Hon. T. PLAYFORD—The question deals with a matter which was raised by the Deputy Leader of the Opposition a few weeks ago and is now being investigated by the Government with the object of seeing whether legislation to control this type of society is necessary. If the honourable member will give me the correspondence referred to I shall be pleased to have it investigated. The matter is one which concerns the Commonwealth Government, as the acceptance of a society as a proper one is in its hands.

Mr. FRANK WALSH—I understand that the Ajax Company Limited, which has its registered office in Adelaide, is catering for public health benefits to the extent of £8 8s. a week. I believe it has two representatives on Eyre Peninsula on a retainer of £20 a week who receive, in addition, £2 for each new member obtained and £1 for a renewal of membership. I believe the £8 8s. a week benefit includes the 4s. a day provided by the Commonwealth Government. Will the Premier see whether the Public Actuary considers the Ajax scheme to be sound financially for members and prospective members?

The Hon. T. PLAYFORD—When the honourable member last raised a similar question I pointed out that South Australia is in a secondary position in regard to insurance

matters. Under section 51 of the Commonwealth Constitution the control of insurance was handed over to the Federal Parliament. That means that any State laws or regulations regarding insurance are invalid if they are inconsistent with the Commonwealth law. However, I will be pleased to investigate the matter raised by the honourable member and let him have a reply in due course. I may have to seek the co-operation of the Commonwealth to give a full reply, because the company may be acting under Commonwealth jurisdiction.

CHEESE SALES.

Mr. FLETCHER—I have received the following letter from the Retail Storekeepers' Association of South Australia:—

My council executive was rather concerned at your statement, as reported in *Hansard* dated September 22, and, also, unfortunately, in the *Advertiser* the following day that "retailers in South Australia were selling unmatured cheese as matured." Your remarks were so worded as to imply that all retailers were included in the accusation and the executive feels that in this you have done the grocery trade generally a serious injustice. There are just as many honourable men in the grocery trade as in any other trade or profession and it is considered that such a sweeping statement was not only uncalled for but definitely incorrect. Furthermore, the fact that grocers do not sell unmatured cheese as matured is greatly to their credit seeing that their margin of profit on this line has been so drastically slashed by the price-fixing authorities. Prior to September, 1951, the retailers' margin of profit on turnover on matured cheese was 18.6 per cent. The wholesale and retail prices have been altered four times since then and on each occasion the margin has been steadily and relentlessly cut down until it now shows 12.6 per cent, which does not even meet the retailers' overhead costs. Seeing that during the same period all other workers have been granted large increases in their incomes, is it to be wondered at that grocers are not interested in any move to boost the sale of cheese?

I may have been a little remiss when I asked my question, but I did not include all storekeepers. I took exception to the resale of unmatured cheese as matured cheese. Has the Premier a report following on the question I asked on September 22?

The Hon. T. PLAYFORD—When the honourable member mentioned this matter previously I understood that the Prices Commissioner was not allowing enough margin to enable cheese to be properly matured, and that there was difficulty in ensuring that cheese sold as matured cheese was indeed matured. I took up both matters with the

Prices Commissioner, and I find that the margin for a matured cheddar cheese (five to six months old) is higher in South Australia at 6½d. a pound than in the eastern States. In New South Wales the allowance is 6d. a pound for eight months, in Victoria it is 5d., and Queensland 4d., both five to six months. In the case of semi-matured cheese the margin is 3½d. a pound in this State, compared with 3d. in the aforementioned States. This matter is at present under review following receipt of an application for a further increase in maturing margins, but the major difficulty, as pointed out by the honourable member, is that of identification. Once the portion bearing the date stamp is disposed of there is nothing to prevent such a cheese immediately "maturing" from a new cheese to a semi or even matured cheese. Upon receipt of an assurance that semi and matured cheese can be readily identified when it is in the hands of a retailer, the Prices Commissioner is prepared to review the question of maturing allowance accordingly.

TOWN PLANNING.

Mr. PATTINSON—Can the Premier say whether the Government has decided to introduce legislation to give effect to all or any of the recommendations of the committee the Government appointed some years ago following on the request made by a large representative deputation which I introduced to him, and, if not, does the Government intend to act on any of the Premier's own suggestions following on his return from a trip abroad? If the answer to both questions is "No," does the Government intend to have the report and recommendations of the committee made public?

The Hon. T. PLAYFORD—I did not know they had not been made public. I have examined the recommendations. The chief one is along the lines that Parliament should approve a Bill to appoint a committee to advise the Government, but there is no necessity whatever for a Bill to be passed to appoint an advisory committee. We have a large number now, of different types, without any legislation being necessary. The honourable member is chairman of an advisory committee which has done extremely valuable work. It was not set up by statute but by executive action, and its duties have not been impaired because of that. Everyone knows that if any person refuses to give information to such a committee Executive Council can constitute it a Royal Commission to enable the information to be obtained.

Therefore, the introduction of a Bill to set up an advisory committee does not appear necessary, for the same thing can be achieved just as readily by executive action. As to the second matter, a Bill has been prepared and will be considered by Cabinet as soon as possible. The Government is most anxious that adequate planning should take place now to provide for the future expansion it believes will take place not only in the metropolitan area, but in all parts of the State. Although in many instances the costly purchase of land is involved, the Government believes that steps should be taken now before the land is irretrievably lost to the community because of buildings or other structures being placed upon it. I will let the honourable member have as soon as possible the information concerning the legislation. If the committee's report has not been released, I will see that that is done in due course.

BULK HANDLING AT WALLAROO.

Mr. McALEES—Can the Premier say whether there have been any further developments concerning bulk handling of wheat at Wallaroo, and, if so, has any provision been made for the 600 families I spoke about some time ago who are wholly or partly dependent upon the handling of bagged grain in the district?

The Hon. T. PLAYFORD—There is an official submission before the Public Works Standing Committee for recommendations on what steps, if any, should be taken to provide for bulk handling in this State. It has taken considerable evidence, but has not yet been able to submit its report to the Government. I received a deputation last week from wheatgrowers' organizations requesting that a bulk handling franchise be granted to them to enable bulk handling to be established in South Australia. The submission was only in general terms and was discussed on that basis. I informed the deputation that before any exclusive franchise could be granted by Parliament it would be necessary to have much fuller information upon its terms and what was proposed to be done. Until that information comes to hand no further action can be considered by the Government, nor, in fact, could I submit the matter to the Government for action to be taken. The Government has no precise proposal before it which would enable it to submit legislation either for somebody else to do the job, or for the Government to do it.

MOTOR PARKING METERS.

Mr. O'HALLORAN—In recent months I have received many complaints about the parking system applying in the city of Adelaide. The complaints come under two headings—(1) allegations that parking stickers are attached to motor cars which, in fact, have not been parked in the area over the prescribed period, and (2) parking at night is prohibited in a considerable area when in fact it would not interfere with business in any way if it were permitted there. When I was in the United States of America recently I saw in operation in New York, Washington and a number of other cities a simple type of automatic parking meter which appeared to meet local conditions very well. As American conditions are similar to those in Australia, will the Premier ascertain whether the Adelaide City Council has considered the introduction of the American system in suitable parts of its area, and, if it has not, will he suggest that it consider the adoption of the practice?

The Hon. T. PLAYFORD—I will pass the question on to the Lord Mayor and ask for a report. I have been informed indirectly, not officially, that the city council has had considerable information submitted to it upon the matter, but has hesitated to accept the proposal because of the cost which would be involved to the motoring public. The council does not share the Leader of the Opposition's confidence that the motoring public would accept parking meters and be anxious to pay for parking. At present a large number of motorists park their cars daily in the city for nothing. If parking meters were installed they would be compelled to make a contribution to the council's revenue.

Mr. O'Halloran—That is not necessarily correct.

The Hon. T. PLAYFORD—I accept that, because the council could refrain from installing meters in some places. I will submit the representations to the Lord Mayor and let the honourable member have a reply in due course.

OVERSTOCKING OF PROPERTIES.

Mr. RICHES—Has the Minister of Lands any power to control the number of stock permissible on pastoral holdings or other lands held under lease from the Government? If so, has he at his disposal inspectors who could submit to him a report upon the present stocking of lands in the north and north-west, and, if he has that power, will he call for a report? I have been told, and from my own observations I am prepared to believe that very serious

overstocking is being indulged in which could have serious effects upon holding capacity of land in the north and north-west.

The Hon. C. S. HINCKS—From time to time I have received reports of overstocking, and the department has taken action by sending inspectors to inspect the areas complained of. In one or two instances lessees have been refused the right to stock, and we have had the stock removed, so that bush and grass would have an opportunity to regenerate. If the honourable member has any particular area in mind and will let me know, I shall be glad to have an inspector make a report.

GALVANIZED IRON SUPPLIES.

Mr. PEARSON (on notice)—

1. What is the present total production per year of galvanized iron in Australia?

2. What is South Australia's quota?

3. How is this quota arrived at and who administers the distribution to the States?

4. What is the basis of distribution to wholesalers within South Australia and by whom is it administered?

5. How many tons of Australian iron were actually received in South Australia during (a) the two years ended June 30, 1953 (b) the three months ending September 30, 1953?

6. How much galvanized iron, being part of South Australia's quota was at New South Wales ports awaiting shipment on September 30, 1953?

7. What ships are employed in conveying the iron to South Australian ports from New South Wales?

8. Do any Broken Hill Proprietary Co. ships travel from New South Wales ports to South Australia in ballast?

9. If so, in what tonnage and for what reason?

10. Have considerable tonnages, being a backlog awaiting shipment, been written off South Australia's quota and thereby lost to this State, in previous years?

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

1. Estimated production for calendar year 1953 is 150,000 tons of plain and corrugated galvanized iron of all gauges, including approximately 120,000 tons of light gauge, *i.e.*, 18 to 26 gauge.

2. South Australia's quota is 11 per cent of the light gauge production remaining after making relatively small allocations to the Commonwealth and New Zealand. State quotas

have not been maintained for heavy gauge galvanized iron because supplies now satisfy demand.

3. The quota was fixed by the Commonwealth Government when it controlled the distribution between the States of galvanized iron and certain other materials in short supply. Commonwealth control ended several years ago, but since then the sole Australian manufacturer of galvanized iron (Lysaghts) has voluntarily maintained the State quotas.

4. Allocations to South Australian merchants are made by Lysaght's Adelaide office. Until recently, allotments were made according to unfulfilled orders granted priority during the time of State control. These priority orders have now been supplied except for small quantities of 24 gauge corrugated galvanized iron. Broadly, the present allocations are on the basis of proportionate quantities allotted during State control, but special consideration is given to urgent cases, such as storm damage.

5. (a) and (b) in tons—

	Calendar Years.		Jan.	July.
	1951.	1952.	1953.	1953.
Corrugated—				
24-gauge ..	914	1,129	1,120	67
26-gauge ..	2,683	3,426	2,362	868
Other gauges	25	26	70	18
Total				
corrugated	3,622	4,581	3,552	953
Plain—				
24-gauge ..	1,596	2,040	898	489
26-gauge ..	415	617	907	71
Other gauges	2,422	1,813	758	608
Total				
plain . . .	4,433	4,470	2,563	1,168
Total plain and corrugated .	8,055	9,051	6,115	2,121

6. Lysaght's last advice was that 2,575 tons were awaiting shipment to South Australia as at October 2, 1953. However, this quantity would include black iron. Actual quantity of galvanized iron is unknown.

7. B.H.P. ships, supplemented by such ships from Australian Shipping Board and Associated Steamship Owners as are allocated by Combined Traffic Committee. There are no regular ships. The inability of the shipping owners to provide regular shipping is a major cause of short deliveries.

8 and 9. It is not the policy, or practice, of the B.H.P. (it is obviously against their own interests) to send to South Australia in ballast ships suitable for loading steel products. The B.H.P. shipping manager cannot recall the last time such a ship was sent here in ballast. Very occasionally one of the large ships of the Iron Yampi class (which were specially designed and built to carry iron ore

and coke) may come here in ballast if a loading berth for coke is not readily available and the iron ore cargo is urgently required. The B.H.P. will not allocate these large ships of 12,000 tons carrying capacity to shift steel cargoes because the time spent in loading and discharging upsets the ships' important primary function of delivering regularly adequate supplies of iron ore and coke.

10. Lysaght's do not write off undelivered quotas. All States, other than New South Wales, have not received their quotas. Lysaght's state that these short deliveries would be made up by under-supplying New South Wales if adequate and regular shipping were available. However, I personally doubt if this will actually happen.

AMUSEMENT TAX AND HOMES FOR AGED.

Mr. TAPPING (on notice)—Is it the intention of the Government to consider the re-imposition of amusement tax in South Australia to finance the building of homes for the aged and infirm and to subsidize homes for the aged being conducted by religious organizations?

The Hon. T. PLAYFORD—The Government does not at present intend to re-impose amusement tax in South Australia. The Housing Trust is now building 105 homes for old people which will be let at very low rentals. The Government does not propose to subsidize other homes.

MOTOR VEHICLE THEFTS.

Mr. TAPPING (on notice)—Is it the intention of the Treasurer to consider introduction of any necessary amending legislation to combat the greatly increased practice of motor car and lorry stealing?

The Hon. T. PLAYFORD—It is not conceded that there is a great increase in motor car and lorry stealing in proportion to the number of vehicles in use. In fact, there has been a marked decrease during the past year. During 1952-1953, 251 motor cars and commercial vehicles were reported stolen or illegally used as against 284 for the year 1951-1952, being a proportion of one to every 714 such vehicles registered as at June 30th, 1953, compared with one for every 586 as at June 30, 1952. In each case only five vehicles reported as stolen had not been recovered during each of those years. Ample provisions already exist in the Criminal Law Consolidation, Road Traffic, and Police Acts. The State Traffic Committee is constantly considering any means of further tightening

the law with relation to the illegal use of motor vehicles, and it is not proposed to introduce further legislation in that regard at the present.

PETERBOROUGH WATER SUPPLY.

Mr. O'HALLORAN (on notice)—

1. What is the diameter of the railway pipeline from Belalie Reservoir to Peterborough?

2. Would this main carry sufficient water to meet all railway requirements and also all the requirements of the town of Peterborough if the supply at Belalie is increased?

The Hon. M. McINTOSH—The Acting Railways Commissioner reports:—

1. The pipeline is of cast iron, and is 6in. in diameter and cement lined. The effective diameter is 5½in.

2. The capacity of this pipeline is 200,000 gallons a day, provided sufficient pressure is available at the Belalie end of the line. Railway requirements at Peterborough from Belalie reservoir pipeline are 100,000 gallons a day. In addition, 20,000 gallons a day of this water have been carted from Peterborough to other locomotive watering points on the division. The department also uses 20,000 gallons of water a day from the railway well in the Peterborough yard for washing out locomotives. The requirements of the Engineering and Water Supply Department at Peterborough reach a maximum of 200,000 gallons a day. The capacity of the pipeline, therefore, would not be sufficient to meet all requirements.

AGENT-GENERAL ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

CONSTITUTION ACT AMENDMENT BILL (MINISTERS).

Returned from the Legislative Council without amendment.

PRISONS ACT AMENDMENT BILL.

Read a third time and passed.

BUDGET DEBATE.

In Committee of Supply.

(Continued from October 8. Page 958.)

Legislative Council, £8,747.

Mr. GEOFFREY CLARKE (Burnside)—

There are many ways of looking at a Budget. The taxpayer looks at it to see what additional burdens, if any, are placed on him, pressure groups look to see whether their pet claim has been recognized, members of Parliament look to see whether some necessary project for their district has been included, and economists should look to long-term results. However,

in the main since the introduction of uniform taxation State Budgets have not been of great interest to the general public. That in itself is regrettable and the reason for it is almost tragic, for demands for additional services are not now related to the need for additional taxation. The impact of a State Budget could mean disaster to a State if it were badly framed.

What are the opinions on the Budget under review? It is not easy, out of a welter of tables and figures, to draw simple conclusions, and for that reason most members are inclined to take much more interest in the items than in the Budget as a whole. I have said before that all members can find worthy projects in their districts which have not been included in the Budget, and he would be a poor representative who could not, but nothing that is said in this debate can in fact add a single penny to the appropriation or vary a single line of the Budget, although we can make our representations for items to be included in future Budgets. Members can examine this Budget to see what sort of a Budget it is. Is it good, or is it bad? How are we to decide whether it is good or bad? What elements make up a good Budget as opposed to a bad Budget?

There are certain negative tests which may be applied in examining a Budget. Firstly, a good Budget should not take out of the pockets of the people more than is necessary to carry on the affairs of state. Secondly, it should not attempt the financing of projects which could be better undertaken by the people themselves if they had the means left in their hands. On the positive side, the Budget should encourage greater production, for only by increased production with greater efficiency can living standards be raised. Whatever differences of doctrine separate the Parties in this House, all Parties are—or should be—aiming at the raising of living standards. The Budget should be based on sound estimates, framed conservatively in respect of receipts and fully adequate in respect of payments. It must be seen that taxpayers in general get their money's worth for taxes paid or charges incurred, therefore, when taxes or charges are increased as they are in this Budget in two or three respects, then some improved service must be given. If the increased charge is to cover losses made in the past year, then the utmost efficiency must be given for the new charge.

A test to apply to expenditure is to ask whether it is wise rather than whether it is

low. Does it bring a general benefit commensurate with the burden imposed by the taxation which pays for it? Conflicting aims must be weighed against each other. Education must be balanced against the needs of hospitals, law and order against aesthetics, and so on. Then, too, the framers of the Budget must consider economy. Has the demand of any department exceeded its worthwhile contribution to general welfare, and have these demands been kept in check? Then, too, is posed the problem of whether the Budget should provide for a deficit or a surplus. Either alternative involves some consideration by the Grants Commission. Therefore, it would seem that to balance the Budget as nearly as possible would be the proper approach, all other things being equal.

What are these other things? Firstly, it must be remembered that the State receives two kinds of aid from the Commonwealth, the re-imbursement from uniform taxation collections and special grants under Section 96 of the Constitution. A year or so ago in this House I took some pains to analyse the methods of the Grants Commission, and I do not intend to repeat what I said then, except to say that the Grants Commission measures the needs of a claimant State after bringing its Budget into a comparable form with those of the non-claimant States, after considering the levels and costs of social services and the extent to which a claimant State is taxing itself, and after comparing the level of taxation with the levels in the non-claimant states. This means that in South Australia we must show full appreciation of the need for economy in administration. It is to our advantage from the point of view both of the Grants Commission and the taxpayer that the levels of our social services should be not more extravagant than those of the non-claimant States and we must tax ourselves with equal severity otherwise we will have our grant cut. Bad budgeting through an unexpected surplus can cause a cut in a subsequent grant, and on the other hand accurate budgeting with an unexpected deficit from some cause beyond the control of the Government will result in the Commission's taking this into account.

We are often asked whether this sovereign State should have to submit to the rules of the Grants Commission and tax its people with a severity equal to that of other States. The answer is most certainly "yes" unless we are prepared to have our grant cut. The grant is provided largely by taxpayers in other States, and it would not be reasonable

to expect them to contribute to the balancing of our Budget if we did not do all in our power in that direction. Should we resist this view? If we say that we will not tax ourselves to the same extent as New South Wales and Victoria and Queensland, what happens then? Firstly, we will be without that particular revenue and the critics of the Government, wanting more schools, water and other services will not be able to get them. Secondly, our grant will be reduced and we will not get the necessary funds from that source. Therefore, to the extent that we do not help ourselves we lose twice over. There is some belief in other States—heightened I am sure by some jealousy—that, when income taxing powers are restored to the States the special grants will cease, but the two things are not constitutionally related. Special grants have been a feature of the Commonwealth-State relationships for many years. They are provided for in the Commonwealth Constitution and, as far as I know, there is no suggestion of a Constitutional referendum to abolish them. All these aspects of the Budget must be considered in framing it, and the result is a marriage of many views and a balancing of one set of pressures against another. A Budget must consider things as they are. It seems to me particularly idle, except from a purely historic point of view, to go back to budgets of 25 years ago or even five years ago, and compare the figures unless comparison really means something. The Treasurer must budget for 1953-54 now, and while he may draw lessons from the past his problem is in the present, and in the future. It is inevitable when on all hands there are demands for increased public services that our interest bill will grow. Whatever theory one may have about costless credit and such like it has no bearing on this Budget. Our interest bill is the inevitable counterpart of the public's demand for more and more services. While these demands are for fundamental things like schools, hospitals, roads, houses, water, sewers, and so on, no Government in its senses at any rate would deny the need in an expanding and flourishing community like S.A. But needs and means are unfortunately not synonymous. It seems to me that interest rates have now become stable and the very welcome abolition of the heavier rate of tax on income from such sources by the Federal Government will confirm that steadying trend. One finds it necessary to repeat as I have done many times in the last few years that Governments have no money of their own, and that funds for development must come from the people themselves.

Taking these items into account, what is the considered opinion of the Budget? There are many reasons why the Premier's fifteenth Budget has received genuine praise. The press does not customarily use terms such as these to describe a State Budget unless it is particularly good—"A sound and wise Budget"; "stable and healthily optimistic"; "keeping State expenditure under curb and hitting nobody's pocket too hard"; "Mr. Playford's Budget makes cheerful reading"; "The S.A. Treasurer and his officers do not rely on guesswork. Their estimates have a high degree of precision." Let me take the last remark first. The Treasurer in a well deserved tribute to the Treasury officials referred to the remarks of Mr. Fitzgerald, the Chairman of the Grants Commission, who complimented South Australia on its public accounts. I have heard Mr. Fitzgerald make that remark too, and it is very good to hear such a remark from a leading public accountant. I would also like to add my tribute to the late Professor Wood, whom I had the pleasure of knowing outside his official duties.

So much for general comments on the Budget. Now take some specific features. Firstly, taxation is up about £1,000,000, most of which will come from motor taxation. To quote the opinion of the *News*, "motorists cannot really object to proposed increases in registration and licence fee if, as is promised, the money will be used to improve roads." Apart from this item, other receipts with comparatively minor fluctuations are not greatly changed. On the payments side social expenditure, education, law order and public safety, medical health recreation and social amelioration show the largest increase as is natural in a growing community. The increase in expenditure over these items is one and one-third million pounds, while the total increase in expenditure is about two and one-third million pounds, of which the greater part of the increase apart from social expenditure is for interest.

The success of the Federal Government's fight against inflation is reflected in the very modest increase in expenditure over the previous year when shown as a percentage. It is a good omen for the people, as well as the State, that the functions of Government in an expanding economy can be carried on this year with only 7.1 per cent increase in actual expenditure over the previous year. Although this is a feature which should inspire confidence, as indeed it does, there are some features of our economy which are not so reassuring. The Premier has very properly

sounded a note of warning on these matters. Prices of primary products on which much of our prosperity rests may not always be at the same level as at present. This throws up a challenge to increase efficiency in all forms of production. It shows, too, that while in prosperous times we can carry the loss on waterworks and railways these losses would be greater in bad seasons, and in addition the general revenue to meet any deficit would be less. No service, I would think, the State could provide is more valuable than the provision of water. Should we now regard the provision of water in the same class as hospitals or schools? We certainly should have a good look at the financial problem which the provision of water now poses. The total earnings of the South Australian waterworks failed by £750,000 to meet working expenses and debt charges last year. This was a deficit of £25,000 more than the previous year. The net return from sewers over working expenses in relation to funds employed fell from 3.48 per cent in 1948-49 to 2.6 per cent last year. The River Murray weirs, in which the State has over £3,000,000 invested, had a deficit last year of £130,000. The Harbors Board which had a surplus of £124,000 in 1948-49, and which fell away to £16,000 in 1951-52, incurred a deficit in the last year of £12,500. It seems to me that the very pronounced trend in the Harbors Board finances should have been arrested earlier, and the remedial steps which are being taken now should have been taken earlier. That they are taken now is some consolation but the finances of such facilities should not be allowed to deteriorate in this fashion. The extra charges it is true are passed on to consumers, but it is better that charges should be seen rather than concealed. The more people know of the problem and the costs of providing public services the better. The deficit on irrigation £280,000, which is steadily growing year by year, needs some critical examination when we remind ourselves that the State has £4,500,000 invested in irrigation and drainage works. Crown lands development and State administration of war service land settlement from revenue alone which covers salaries, wages, travelling expenses and the like, resulted in a deficit of £109,000 quite apart from capital expenditure. It is desirable to make some reserves for possible losses which are almost certain to be incurred, and for amounts to be written off excess costs of development. It is true that the ultimate value of this expenditure cannot be measured or even guessed at now, nor

indeed can the potential value of the Mines Department work which incurred a charge on the revenue of £391,000. I would think that very probably for both of these charges the State will get good value for its money, particularly from the intensive search for minerals which has been carried out in the last few years.

Turning over the pages of the Auditor-General's report, it is rather refreshing to see a modest surplus from the Government Produce Department and Public Trustee. One needs a little heart warming as following these items come the railways. There the sad story is adequately summed up by the Auditor-General, who said:—

As the actual working expenses (*i.e.*, without taking into account the grants from the Treasury) for each of the past five years exceeded the earnings, there was in fact, no return on the capital invested in the undertaking during that period. The total loss for the year borne by the State was £4,500,000.

At least it was encouraging to find that this was a decrease of £909,000 compared with 1951-52. One of the greatest problems facing any Treasury today is the cost of transport, both directly and indirectly. The development of transport is synonymous with the development of civilization. When the public transport of a State becomes a burden to its taxpayers it is very obvious that something is wrong. That was recognized in the Municipal Tramways Trust a year or so ago, but the symptoms were left too long without a diagnosis of the illness. In our railways very obvious symptoms have appeared for some years past. Do they disclose an economic illness? At page 116 of the Auditor-General's report a balance-sheet of the railways is set out. I draw attention to this as well as to the balance-sheet of the State itself, which appears at page 273. I mention these as so many lay critics outside the House say, "Why doesn't the State publish a balance-sheet like any one else"? It does, but very few take the trouble to look at it, or even understand it.

Looking at the railway balance-sheet we find South Australia has £47,500,000 invested in the project, after taking into account £24,000,000 which has been contributed between July, 1927, and June, 1953, from revenue to meet deficits and which has been lost. This colossal sum is greater than the whole of the taxation this State itself has collected for the last six years. Looking at it in this way one can see what £24,000,000 really means. In fact it is equal roughly to the last six years collections

from succession duty, the last six years of stamp duty, the last six years of land tax, the last six years of motor tax, the last six years of betting tax, and the last six years of other taxes. And all these added together make approximately £24,000,000. We are inclined to accept this with too much lightness. I am prepared to say that in a developing country the railways must precede settlement; in fact, they serve more than the people who actually use them. They provide, as do roads, a service from which the whole State benefits, but is it not long past the time when we should be able to measure, at least roughly, the value of those benefits?

Are the railways worth £4,000,000 or £5,000,000 a year to the State over and above freight and fares paid? Frankly, I do not know, but I would like someone to find out. That, of course, could only be by a very detailed and expert inquiry. One would want to know whether, and by how much, the price of bread has been kept down by subsidized freights, to what extent our produce in the world's markets has been able to compete through the subsidy from the general taxpayer. If this benefit has arisen, then we should know. If the net result was unfavourable, then we would set about reviewing the position. It is true that some features of rail service cannot be estimated in pounds shillings and pence, such as the opening up of new lands for settlement; but at least informed opinion can be expressed on the influence the existence of a railway has had on opening up new country. I have heard that the railways are letting some of the refreshment rooms to private enterprise. This seems to me to be a step in the right direction, and something may thus be saved and better service given. I hope that the trend which the estimates for the railways show this year, namely, that £800,000 less will be required from revenue to meet their needs, will continue.

The tramways present one of our major problems. The loss of £1,086,000 for seven months emphasizes a very grave situation. It would be idle to comment unduly on this until the new board has had a chance to re-organize the undertaking. It is most fervently to be hoped that the experts recently in Adelaide will be able to give helpful advice on this problem of public transport, which is providing so many headaches to so many authorities in different parts of the world. There are, of course, many miscellaneous accounts which, by reason of their nature, result in a deficit over expenditure. That is not always the criterion by which they must be judged. I have made a review of

some of the problem children of the Treasury, but that does not mean that the outlook is dismal. The note of warning struck by the Treasurer was a caution against unrestrained optimism. I have reminded the House of some of these features of the State's accounts, because it is all the more creditable that with the difficult spots in our accounts the Treasurer can still budget for a small surplus. Against this is the very real prosperity of the State. All the indexes which are customarily used to measure prosperity show that output, both collectively from industry and output per man hour, is high, I think the highest in Australia; savings bank deposits the highest a head in Australia; more motor cars a head, which, incidentally make the tramways problem more difficult to solve; record house building for last year; amazingly low child mortality, and so on. Summed up, in the jargon of the economist, our taxable capacity—that is our ability to bear taxation—is now probably the highest in Australia.

This leads me to uniform taxation. It is interesting to see that the Opposition is out of step with their colleagues in Queensland, New South Wales and Victoria, who would like their taxing powers back, as we would. I do not propose to review all the great advantages which will follow the restoration of State taxing powers, but I emphasize this critical feature of State accounting, that the State that spends should accept responsibility for taxing. This would bring home to our people the problem of financing our social services. They would see a direct relationship between taxes and schools, hospitals, and so on, as they do now between roads and motor taxes. It would be, as the Treasurer has said, a supreme advantage to the people if we regained our taxing powers, and we should, with rates very much below our pre-war rate of taxation; then we would be able to meet our needs. This would give us a very great advantage compared with other States.

In conclusion I should like to say a word or two about the State's balance-sheet. If one were presenting the accounts of a company one might refer to the State balance-sheet somewhat as follows:—Our assets stand at £200,000,000 after making some provision for amounts written off from revenue. These should certainly be worth their book value. Proprietor's funds, in other words, interest-bearing indebtedness, stands at £197,500,000, and deposits unexpended balances amount to £4,500,000. One would say that the prospects for the coming year look bright, and that it

is expected that with a good season and a continuance of stable economic conditions the returns to the people who own this undertaking will be satisfactory. I trust that by the time the next Budget is prepared it will be possible for a formula to be found which will restore taxing powers to States and restore real sovereignty to a State which, in the words of the Treasurer, has every reason to expect that the next 20 years will bring unparalleled prosperity. I support the Budget.

Mr. JENNINGS (Prospect)—I will not join in the chorus of congratulations to the Treasurer on the presentation of his fifteenth consecutive Budget. Indeed, I believe he should not have introduced this Budget, nor the Budgets for 1944, 1945, or 1946. I hope he will never introduce another—or, if he does, that it will be after the electoral laws have been altered in such a way that any Treasurer who brings down the Budget will be able to say he has done so at the request of the people expressed at the previous election. The first thing striking anyone who examines the Budget is that it is merely what one might term a bookkeeping Budget. It sets out the essential expenditure and then the way the Treasurer thinks the necessary finance can be raised, doing the least damage to the people. This, of course, is what we are accustomed to from Conservative Governments. They reject any kind of progressive economic measures and spurn economic adventure, leaving as much as they can of the economic affairs of the country in the hands of those who can profit from it. This tendency has increased since the advent of uniform taxation. Nowadays, the Federal Budget is the only Budget which has any kind of economic effect upon the community. The State Budgets are merely an allocation of the funds handed back to the State by the Commonwealth, plus whatever other smaller amount they can raise by State taxation.

The Budget now before us proposes an increase in taxation, and so do all the other State Budgets throughout Australia. This certainly was necessary because of inadequate returns to the States from the Commonwealth. This shows up clearly what a fraud was perpetrated on the people of Australia by the recent Federal Budget. The present Federal Government, discredited and detested as it is by the people, felt it expedient to make some kind of gesture in its pre-election Budget, and, with a great fanfare of trumpets, it announced that there were to be tremendous tax concessions. These concessions were certainly not

given where they were most needed, but carefully arranged to attract back to the Government the support of the middle and upper middle classes; and of course it is obvious that the Government is not going to achieve much success in this case, because once again in its Budget it has shown that lack of understanding of the Australian character which has been a feature of its administration ever since it took office. Never was a greater insult offered to the people than the implication that their political support could be bought at the expense of old-age pensioners. The real point of the story is that there is really to be no reduction in taxation. The State Governments have to make up the deficiency. It was obvious that South Australia, the only Liberal State, connived at this piece of political trickery by the Federal Government. South Australia alone meekly accepted the small reimbursements from the Commonwealth. It must have been obvious to the South Australian representative at the Premier's conference that acceptance of this inadequate amount would result in an increase in State taxation, but of course that did not matter, for the State election had been held whereas the Federal election was to come. The South Australian Liberal members loyally agreed to help their Federal colleagues, so the Federal taxation concessions were largely an illusion. I hope the people realize, since the introduction of the State Budgets, that what Sir Arthur Fadden gave back was taken from them by other means. The decreases in Federal taxation and the increases in State taxation leave the position much as it was before.

I compliment the Leader of the Opposition on his outstanding address on the Budget. It was one of the most knowledgeable speeches we have heard for a long time. Members must have thought once more of the cruel injustice of an electoral system which is responsible for keeping Mr. O'Halloran off the Treasury benches, where his talents would be a great asset to the State. I notice that the *News* passed a few judgments on his speech. Of course, newspapers always know more about matters than the people whose job it is to know them. They never think: they always know. The *News*, generally speaking, is not as bad in some directions as the other daily newspaper in South Australia, though that is not saying much.

Mr. Brookman—Do you mean it agrees with your views more often than the other newspaper does?

Mr. JENNINGS—It certainly compares more favourably in that respect. However, the *News* was not nearly as greatly concerned as the Leader of the Opposition was at the growth in our public debt. It could see no harm whatever in the astronomical increase of the debt, but it has increased by £65,000,000 or 50 per cent over the last three years. I am sure all members agree that this is a cause for the gravest concern. Each year we are paying tremendous sums in interest before we begin to finance any State works. At the end of the year we shall owe millions more, which means that in the following year our interest payments will be much more again. This cannot go on forever. The advice given by the Leader of the Opposition can only be neglected by any Government at its peril. All State works are bogged down in interest payments. If we did not have such tremendous burdens we should not have to bring out experts to pass opinions on many of our public instrumentalities. The Budget discloses that there will be a considerable decline in the activities of many of our important departments, for the estimated expenditure is only slightly more than the actual expenditure for last year. The decrease in the purchasing power of money could easily account for the slight increase in expenditure, so many departmental activities cannot expand. The amounts allocated for the Minister of Works, the Minister of Agriculture, and the Minister of Education are only slightly in excess of actual expenditure for 1952-53. The Treasurer's *Financial Statement* says:—

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 five to six per cent of last year's expenditure.

As the overall estimated expenditure for this year is 7.1 per cent greater than last year it seems that Governmental activity will be increased by only 1.1 per cent, despite the fact that several small departments, such as the Building Materials Office, have closed, and that labour is now available to expand Governmental undertakings. Once again we have to face the contradiction of capitalistic economies—when money is available materials are not; when the resources are available the money is not. I am glad that price control will be maintained, even though we no longer receive a reimbursement from the Commonwealth Government to finance administration. Since the defeat of the 1948 prices referendum price control has been a haphazard affair, and I

remind the House that it was defeated largely because State Liberal leaders promised the people that prices could and would be controlled more effectively by the State Parliaments. As a result the efficiency of price control has deteriorated; nevertheless it has provided some measure of protection to the wage earner. It is significant that many of the strong opponents of price control in this Parliament are associated with organizations that would profit from increased prices, but that is a good argument for the maintenance of price control. It is likely to be even more important in the future, for no longer will the worker receive compensation by way of quarterly adjustments in his pay for price rises. I hope the Treasurer, as Prices Minister, will remember that and act accordingly. No doubt many members have observed a fascinating feature of price control in this State. When the price of an article is to be increased a public statement is always made by the Prices Commissioner, but when there is a price decrease the announcement is made by the Treasurer.

Mr. Lawn—The same occurs in regard to Housing Trust rents.

Mr. JENNINGS—Yes, and with regard to electricity charges. The policy seems to be to allow the public servants to take the blame, but to make sure the Treasurer always gets the credit. The Treasurer always attaches himself to the Housing Trust, Electricity Trust, or any other department, whether or not it is under the control of a Minister, when it is enjoying some popularity, but he is far removed from it when it is suffering public disfavour. A few days ago the increase in the allowances for teacher trainees was not announced by the Minister of Education, but by the Premier. I hope that the two new Ministers will not meekly acquiesce in the Premier's stealing their thunder merely to bolster up what still remains of the great Playford legend. If a certain member is promoted to Ministerial rank I think the Premier will find for the first time for many years a stumbling block in Cabinet, someone over whom he cannot ride roughshod. I do not know whether members saw the results of a recent gallup poll indicating that the housing problem was more acute in South Australia than in any other State. I realize that Government members might not nowadays have much faith in gallup polls, but towards the end of 1949, when they were held regularly to ascertain what would be the fate of the

then Federal Labor Government, Liberal members had great faith in these polls. In the light of the result of the recent poll we cannot be happy about the housing position here. Only the other day in this House the Premier said that housing was one of the most important functions of a State Government. No one will deny that, but in view of his statement it is astonishing that his Government has steadfastly refused to appoint a Minister of Housing so that the house building activities of the Government could be brought under its control. The lack of action in this regard is typical of a Conservative Government.

Mr. Lawn—What do you mean by "Conservative?"

Mr. JENNINGS—Somebody who wants to conserve for himself and his class that which other people have produced. There is also another definition: "somebody who is too frightened to fight and too fat to run." When Labor members raise any questions concerning housing they are told tearfully by the Treasurer that they are running down the Housing Trust, but that is not true, for members usually know so little about the activities of the trust that it would be impossible for them to offer any specific criticism. Labor members have criticized the handing over of one of the most important functions of Government to an organization that is not responsible to Parliament. The handing over of important Governmental responsibilities to organizations which have all the power and none of the responsibility of government is a Fascist principle. We cannot afford to be happy about our housing position. In reply to a recent question the Treasurer said that at present 3,000 applicants were awaiting emergency homes. All those cases must be to some extent urgent otherwise they would not be on the list. We have been told that the emergency scheme has been completed and that the only vacancies occurring are those where a tenant leaves his emergency quarters. We can imagine how infrequently that happens, but despite this the Treasurer advances as a reason for the discontinuance of the emergency housing programme the fact that so many imported prefabricated homes are becoming available. However, those prefabricated homes are being allocated, not to emergency cases, but solely according to the ability of the applicant to pay the absurdly high rent of £3 5s. a week. They are being allocated, not according to the circumstances of the applicant or the period of the application, but solely according to a means test which acts in reverse, for the homes

are allotted only after the applicant has satisfied the trust that he can pay the fantastic rent. The most urgent case would not be considered unless that applicant had the means to pay the rental and the security to continue paying it for ever.

The importation of these prefabricated homes was nothing less than irresponsible panic by the Government. Instead of admitting that it had made a costly blunder, taking the responsibility for its mistake and subsidizing the rent of these homes so as to make them available for the most deserving cases, the Government is taking advantage of the housing shortage to exploit the public in a way that it would not tolerate any private landlord doing. It also obliges the Housing Trust to charge a rent which of itself prohibits the allocation of the homes according to the applicants' needs. From the point of view of governmental organization that is nothing less than scandalous. The Government's attempt to sell a big proportion of these prefabricated homes to New Zealand was an admission that it had acted with undue haste in importing them.

I intend to refer to the problems of local government, because, as councils function under the authority of Parliament as set out in the Local Government Act, their problems are also our problems. An extract from *Local Government and Its Problems*, issued under the authority of the Australian Council of Local Government Associations, states:—

Prior to the first World War, local government was mainly concerned with roads, footpaths, kerbing and guttering, and recreation, today local government is called upon to deal with human values as well as purely material things. Important groups have grown up, emphasizing the need for baby health centres, child care and rest centres for women, community libraries, youth centres and cultural centres of all kinds. There is demand also for action by councils in increasing land productivity, the destruction of noxious weeds, the arresting of soil erosion and initiating flood preventive measures . . . these new demands have created enormous financial problems for local government, and local government is being tested against its capacity to satisfy those needs.

A further extract states:—

It is indisputable that local government, in the face of the demands of the modern era and spiralling costs, was never in its history more impoverished than it is today.

The Minister of Local Government recently made a statement that reverberated all over South Australia, in which he criticized councils for not raising the revenue they are permitted to raise.

Mr. John Clark—It is not the first time he has said that.

Mr. JENNINGS—The Minister overlooked the fact that the same thing could be said about his own Government. After all, if it were prepared to suffer the odium, could not this Government raise tremendous amounts by any of the various ways open to it? The same applies to councils, but surely the answer to the problems of local government is not in the continual raising of rates. Local residents and councils today look to Parliament to provide assistance to put councils on a sounder basis. The problem is extremely difficult but many councils are falling further and further behind in their work, particularly in those areas where there is a great and rapid expansion in building activities. Parliament should realize that it cannot afford a collapse of our local government system, and I hope the Government will pay attention to this matter. It might well consider a realignment of the boundaries of council areas to ensure that they have some relation to sanity, for at present many boundaries conform neither to rhyme nor reason. Some are small and compact, others large and unwieldy, and I believe that at least some problems of local government would be immediately overcome by an alteration of boundaries so as to permit a more economic working.

The Budget is entirely colourless, unimaginative, and typical of what we expect from a Conservative Government which believes that economic matters should be left in the hands of people who can make money out of them. Apart from that, the Budget is as sound as we can expect from a Government of this type.

Mr. HAWKER (Burra)—Before dealing with any of the lines on the Estimates I will refer to some remarks made by the Leader of the Opposition. He blamed the present Commonwealth Government for the inflationary tendency in Australia, but I point out that the inflation problem does not exist only in this country. If we did not have inflation the first thing that would happen would be an appreciation of our currency. It was a very bad act by the Chifley Government when on September 18, 1949, it said that our currency would be depreciated by 30 per cent. That was the start of our present inflationary spiral. Another factor contributing to inflation is the desire for more leisure. The greater leisure that the workers have today was largely due to the action of the Chifley Government in bringing about the 40-hour working week. It raised prices by about 11 per cent and there was a strong

psychological effect, which was more dangerous than the economic effect. It gave the people the idea that we could rehabilitate ourselves by having more and more leisure. Together with controls that has caused business immorality from the top to the bottom, so much so that the leaders of the Church and the judiciary gave "The Call to the Nation," and recently we had a Methodist Mission to the Nation.

When we cut down our working hours there was a decrease in production, especially in steel. The rolling of steel is done by machinery. When the 40-hour week was introduced the rolling mills in Australia were not working to full capacity because of a shortage of labour. The only thing that could happen was a reduction in production, and that is how we became short of essential steel. Another matter beyond the control of any Government was the rapid rise in the price of wool. It brought much money into Australia and people tried to make up the lag in repairs and improvements. There were not enough Australian materials available, so orders were placed overseas, but they could not all be met. When there was a partial recession in some of the countries overseas orders were cancelled, which allowed the Australian orders to be met, and goods began to arrive here in large quantities. This caused controls to be placed on imports and it would have occurred no matter what Government was in power. The Chifley Government depreciated our currency as we were about to get on an even keel. It is not the fault of the present Commonwealth Government that we have inflation. It has done an extraordinarily good job considering the mess left by the previous Commonwealth Government. It is difficult for a Government to keep down expenditure because most people believe that it always has plenty of money available. It is gratifying to note that the Budget position of the State last year was good. We were able to make worthwhile economies in departmental administration, and it is to the credit of the Treasurer and his officers that it was done. I am not happy about the State being ruled partly by the Commonwealth Grants Commission. South Australia has many disadvantages and because of that we get considerable help through the Commission from the States which are much better endowed, but our financial policy is dictated by what the other States collect and spend. I agree with Mr. Geoffrey Clarke that the sooner we get back to collecting the money we have to spend the better it will be.

I now want to quote some figures showing the money collected and returned to South Australia by the Commonwealth during the year 1950-51, which is the latest information I have. It collected in customs duties £7,724,000, and excise duties £6,485,000, a total of £14,209,000. In sales tax it collected £4,534,000, income tax £20,289,000, social services tax £5,366,000, payroll tax £2,304,000, estate duties £524,000, gift duties £111,000, entertainment tax £406,000, and land tax £178,000. Under the Financial Agreement we collected from the Commonwealth £704,000, and under section 96 of the Constitution £4,558,000. Our tax reimbursement totalled £10,200,000. In all, the Commonwealth collected from South Australia in that year £47,921,000 and paid back £15,462,000. It also spent in this State in social services £10,100,000. This shows that only a little more than half the amount collected by the Commonwealth in South Australia was returned. The Premier gave a warning in relation to the prices of primary products. At present we are facing in primary production a buyers' market and we will have to be careful to provide quality in the goods sent overseas. Controls do not help or encourage quality, nor a reduction in costs of production. Australia will have to adjust itself to this new order. One of the industries associated with the Premier's warning is dairying. He said that there is evidence that the dairying industry is again approaching a critical stage in marketing. Dairying is a very important industry in this State and has to a great extent helped in soldier settlement, many of these settlers having been able to place themselves in a satisfactory position from the money received from cows. It is a seven-day a week industry; we have not yet been able to produce a 40-hour week cow.

In his Budget Speech the Treasurer said:—

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.

We must apply ourselves to efficiency, quality and reductions in the cost of production, both secondary and primary. I am particularly interested in the wool industry, the one primary industry which has not yet been controlled, and which is probably in a sounder position than any other primary industry, despite the fact that it has had to stand up against very strong competition from synthetics, on which unlimited funds have been

spent on propaganda and research into better quality. Yet, wool has been able to stand up against this serious competition without any controls. It shows that controls are of doubtful benefit, especially when it makes the people think along the line, "If you can beat the controls and are not found out, it is all right." Because of the effect on the morality of the business community controls are of doubtful value, and should be eliminated as soon as possible. In the old days South Australia obtained much of its primary production in country outside Goyder's line of rainfall, and large numbers of cattle came down from the Northern Territory. However, the people in the outback country are now up against difficulties because they have not the amenities available in the city. That results in a drift of the population to other industries. Last year I saw a press report that the average age of men droving a mob of cattle in the back country was 60 years. There have been many recent inquiries into the cattle industry. I heard an address by Mr. Kleberg, one of the owners of King Ranch, Texas, U.S.A., which breeds Santa Gertrudis cattle, and he kept harping on the point that we will get nowhere in this industry unless we give the men security of tenure; otherwise people could not be expected to go out into the country and invest money in it. To transport cattle long distances it is contended that we must have more railways. An article appeared in the Queensland press recently advocating the construction of a railway to take cattle from the Northern Territory across to Queensland. There is a strong move in this direction. The 17th annual report of the Australian Meat Board for the year ended June 30, 1952, contained the following, which is part of a statement submitted to the Ministers for Commerce and Agriculture and Territories, by the chairman of the Australian Meat Board:—

Referring specifically to types of transport, it is considered that certain developmental railways are absolutely essential and that there are no effective substitutes for such railways. Aerial transport, too, may serve a useful purpose in certain areas. To really develop the beef cattle potential in Australia, however, it is maintained that a number of key railway lines must be constructed. . . . The developmental lines referred to have been recommended from time to time by the board and by other responsible authorities. In the opinion of the board, the following is the order of priority under which these developmental railways should be constructed:—From Dajarra towards North-West; From Yarakra to Windorah; from Quilpie to Eromanga; from Dajarra to Boulia; other major developmental lines linking main breeding and fattening areas, e.g.,

north-western New South Wales through south-western Queensland to the Northern Territory; Wyndham to South-East Kimberleys.

However, none of those railways would bring cattle towards South Australia, but take them to Queensland. I should say that notice would be taken of that report. In the same year was published another report, which should receive the attention of this Government. It is *A Survey of the Beef Industry of Australia, Part 1: Northern Australia*, by W. A. Beattie, and was issued by the Commonwealth Scientific and Research Organization in Melbourne in 1952. It contains the following:—

Transport is the key to all development in Northern Australia. . . . If the map of Australia, rather than the map of Queensland, is considered, it seems logical to build a short line from Marree, South Australia, to the nearest practicable part of the Channel country. This link involves a total movement of fat cattle from south-western Queensland of 700 miles to Adelaide as against a movement of 900 miles to Brisbane. The town of Thargomindah, on the Bulloo river (the most easterly of the Channel country rivers), is about equi-distant from Brisbane, Sydney and Adelaide and prices are normally lower in Brisbane than in either of the other centres. It also seems logical to standardize the gauge of the Adelaide-Alice Springs line, possibly re-aligning it to go from Anna Creek or Oodnadatta west of the present line so as to take it right through the best grazing country, thus eliminating the walk to the present line and avoiding the wide river crossings and the sand-hill country. This line cannot at present handle the traffic offering, and needs also to be extended to Newcastle Waters (450 miles) or Powell Creek (400 miles), the natural centres of the Northern Territory livestock industry. At Newcastle Waters and Powell Creek trunk stock routes from the north, east and west all converge on good holding country.

It would appear wise later to construct a short line from Powell Creek across the flat but waterless and unoccupied limestone country to the Camfield river (Wave Hill) so avoiding the only difficult stock route for western cattle from the Victoria River district and the Kimberleys. This line would be 160 miles long and should not present any engineering difficulties. For the important purpose of disease control, and also to assure the payment of the full export price as a "floor" price, it might also be necessary to establish an export works at a properly equipped port such as Wallaroo on Spencers Gulf. It is argued that Adelaide could not cope with more cattle and that prices would fall. Obviously, when cattle came in increased numbers, exporters would operate as they do in Brisbane and elsewhere.

Adelaide, as a marketing point,, has several advantages over Brisbane. (1) It is nearer the British market for export beef by several days and is thus more suitable for chilled beef; (2) Itself a large centre of industry and consequently of consumption, it also has good and direct rail connection for refrigerator

trucks with Sydney, *via* Broken Hill, and Melbourne, both of which cities are compelled to draw on supplies outside the borders of their States. It has also direct and fast connection with Kalgoorlie, Western Australia, which at present draws much of its supplies from Adelaide, and at times from New South Wales, *via* Broken Hill line. Tasmania can also be included as it draws heavily from Sydney and Melbourne.

As the trunk lines from Adelaide are the first listed for standardization, no changes of gauge in interstate movement, either of cattle or meat, would be involved and quarantine restrictions would be more easily overcome. It is in a cooler climate than Brisbane and has better holding country and cheaper treatment costs. A railway from Marree towards the Channel country of Queensland would overcome the great practical difficulties of building an east-west line in Queensland through the maze of channels.

The building of the north-south line is long overdue. To summarize that report—the channel country is good fattening country and is only 700 miles from Adelaide as against 800 to Brisbane, and the Brisbane prices are usually lower. If the present line were extended from Alice Springs to Newcastle Waters it would be 450 miles toward the completion of the north-south line which the Commonwealth Government agreed to build in 1910 and would bring the line within 150 miles of Birdum, the southern terminus of the line from Darwin. Adelaide is nearer the British markets, is a large industrial centre, can rail cattle and beef to Sydney, Melbourne, and Kalgoorlie, and enjoys a cooler climate. The report reveals that the natural outlet for cattle from Northern Australia is not Brisbane, but Adelaide or Wallaroo. The Government should make the greatest possible use of the report. We must also remember, however, that the Meat Board published a report about the same time suggesting that the cattle should go to Brisbane. Most cattle members of that board are from Queensland and New South Wales, which are the largest cattle States. I hope the Government will consider this report when pressing for the completion of the line from Alice Springs to Birdum. There is nothing in the agreement which requires the line to be a direct one. Mr. Beattie suggests that the line could go further to the west through better country. If South Australia can gain an advantage by diverting the line in places it should take that advantage.

Mr. O'Halloran—It depends on the extent of the diversion.

Mr. HAWKER—Mr. Beattie suggests that by diverting slightly to the west the line would pass through better country, which would be a

definite advantage. Some time ago when this matter was being considered I referred to a report from Messrs. Ryland and Day suggesting that the line should go south-east from Newcastle Waters, through the Barkley Tablelands and back to Alice Springs. The line would go about 100 miles to the east. If that were responsible for the cattle being brought to Adelaide it would be an advantage. I do not know what the position would be in erecting a line from Marree to the channel country but at present we can join up with any Commonwealth line. However, I do not know whether the South Australian Government would be prepared to finance such a railway and I do not think Queensland would extend its railways any further into the cattle country if the cattle were to be brought to Adelaide.

The question of making agricultural and scientific information available to farmers is important. Many farmers, pastoralists and graziers are still contemptuous of scientific experiments and the opinions of agricultural advisers. Many efficient farmers have conducted experiments and have done much to improve our agricultural knowledge. Even if some of the scientific work has been redundant much has been worth-while. One need only mention the research in worm prevention, hormone poisons and mineral elements which have brought much of the Ninety Mile Desert into production and the experiments with copper and cobalt which have eliminated coast disease to realize that it has been worth-while. A person experimenting on his own property cannot come to definite conclusions because circumstances differ from year to year and paddocks differ. Not many farmers are like the professor whose wife had twins. When the twins were taken for baptism he only had one baptised. The priest inquired why, and the professor replied that he was keeping one as a control. Not many farmers can keep sufficient land for control to confirm experiments. I would like to see the agricultural journal improved and more publicity given to experiments carried out not only in South Australia but in other parts of the world, and I support Mr. Brookman's remark in this regard. We might also consider whether the artificial insemination of animals might not be more widely practised in Australia. I believe that method has been widely used in Holland to great advantage and has resulted in improving their dairy cattle.

When I was in the South-East in connection with granting the Australian Mutual Provident Society development leases I inquired

about the problem of erosion on the edge of timber on the tops of hills. There seemed to be no answer to the problem but the soil erosion advisers suggested that if a ripper were used to cut the timber roots, and grass were sown near the edge of the area the grass would spread right up to the timber. Not one of the persons I interviewed had heard of the experiments in that regard and I believe there is a lack of co-ordination between the scientist and the farmers. It is not all the fault of the scientists because many farmers still believe that the scientist has only theoretical knowledge. The number of research officers and advisers in the Agricultural Department totals 67.

There has been little research work on the stiff clay soils of the northern areas and most of the research has been conducted on the lighter sandy soils. A farmer may want to purchase an improved grass which will carry more stock but he discovers that it will only grow on deep sandy loam but that type of soil does not exist north of Adelaide. It is tight red clay and there has been very little research on it. Another aspect worthy of mention is the price of new machinery. It is hard to obtain and is very expensive. A trash seeder, which leaves the stubble on the top of the soil and eliminates the necessity for burning, costs about £400. Without an implement of that nature a farmer cannot possibly sow without burning the stubble or leaving it to rot.

I understand that a Bill will be presented to the House relating to the new rates of motor taxation and I shall not touch upon that aspect of transport at present. However, I will refer to the Tramways Trust. A considerable amount has been lent to the Tramways Trust and when legislation was before the House previously I said that I did not think we could clear up the financial mess of the Tramways Trust as easily as some thought. My remarks have proved correct. The Leader of the Opposition said that from his experience overseas he believed trams were on the way out. I agree with him up to a point but with one qualification. If there is another war and our sea lanes are cut we could run our trams on material from within Australia but if our transport is all motor vehicles we must import oil and rubber.

Mr. O'Halloran—Trolley buses can be operated on locally produced power.

Mr. HAWKER—I am referring particularly to petrol or diesel driven buses. The report of the Tramways Trust tabled last year proves that privately operated bus routes all showed a profit and some of them were not regarded as

good routes. Not one tram route showed a profit and for that reason much can be said for private motor buses. Probably the suggestion of the Leader of the Opposition of using trolley buses is the best solution of the problem. I commend the Government for providing buses to take children to and from school. Many children are now picked up by a bus, but others living further away are not. That cannot be helped, but many children are getting education that they would not get but for the bus services. It is still difficult to get domestic help in the country, so the housewife usually has a full time job in looking after her husband, children, and perhaps a farmhand as well. She has not the time to help her children with a correspondence course. We are now spending £200,000 on school bus services, but I will not object if it becomes greater, for this service is well worthwhile. I support the first line.

Mr. TAPPING (Semaphore)—The Budget total of £51,000,000 is a record, but is not one to be proud of. I would rather see a smaller amount, for that would show that the State was grappling satisfactorily with the problem of inflation. It is alarming that the Budget has grown to such proportions, but every member on this side of the House will do his best to offer concrete suggestions to combat inflation. It is regrettable that some increases in taxation are proposed. Motor vehicle registration fees will increase to the extent of £1,100,000 in a full year. This will detrimentally affect the working man who has bought a motor on instalments. He is deserving of praise if he has worked hard for years and has been thrifty enough to enable him to buy a motor car on deferred payments, but it is a pity that he will be further burdened by increased motor registration fees. Further, the businessman, such as a carrier or manufacturer, with a large fleet of vehicles will be called upon to pay heavier registration fees. He will be duty bound to pass on these extra costs to consumers. This will not help bring about deflation, but will make commodities dearer, which I deprecate.

The Treasurer announced that increased Harbors Board fees will yield about £400,000 in a full year. I concede that no great increases in Harbors Board fees have taken place since 1930, but the board imposed certain charges for the storage and stacking of goods in sheds at Port Adelaide and Outer Harbour. I resented that because the slow turn-round of shipping was brought about by a lack of berthing facilities. This placed a burden on the

receivers of cargoes from all parts of Australia and overseas. I said that the storage charges would be a heavy impost on importers that would have to be passed on to consumers, thus making goods dearer. It seems that there will be a steep increase in charges, but shipping companies already carry a heavy burden. Steamers sometimes have to ride at anchor at the Semaphore anchorage for up to five days awaiting a berth. This costs some boats about £900 a day in wages and Harbor Board dues. I am not happy about the effect that the increases in dues will have on prices, and ultimately on the consumer. In 1951-52 the board lost £125,000, but for many years prior to that it showed a handsome profit. Why did the board suddenly show a loss? The Treasurer said that even with the higher charges the board will lose £300,000 this financial year. I cannot understand this, for statistics show that shipping has increased considerably during the last seven or eight years, and cargo tonnages have increased, particularly at Port Adelaide and Outer Harbour. The Harbors Board losses mystify me, and I hope the Treasurer will explain how the board's position deteriorated so quickly.

Mr. McAlees—There will be no loss at Wallaroo.

Mr. TAPPING—I am pleased to hear that, but the board's financial statements cover operations over the whole State. I fear there will be losses at Wallaroo as well as at Port Adelaide and Outer Harbour. A controversy on the question of local option polls has existed for some time. It has been the subject of debate in the Legislative Council, but I have personal knowledge of the matter. I was opposed at the elections in 1950 and 1953. I do not object to competition if it is *bona fide*, but in those years a dummy candidate stood against me for the purpose of ensuring a local option poll would be held in order that certain interests in my district might obtain an increase in the number of hotel licences. They distributed "How to Vote" cards, telling people to vote (1) for Tapping and (2) for their candidate. The position was farcical. Another card said "Vote (1) in the bottom square," denoting a vote for an increase in the number of licences.

Mr. O'Halloran—If we are to have local option polls they should be held on a different day from that for Parliamentary elections.

Mr. TAPPING—I agree. If that were done such a farce could not occur. Whether a move is made in the Legislative Council or not, I trust the Government will revise the local

option poll laws. A few weeks ago I asked the Premier a question about certain organizations in Semaphore nominating a candidate, but on the day of the poll distributing cards, against my authority, giving first vote to me. The Premier was good enough to ascertain from the Attorney-General's department the legal position. The Parliamentary Draftsman reported:—

It seems that the conduct of which Mr. Tapping complains boils down to two types of action, namely:—

(a) electors or citizens asking other electors to vote for Mr. Tapping as number one preference:

(b) electors or citizens asking electors to vote for increase of liquor licences.

It appears to me that Parliament would not agree to take away from citizens either or both such elementary rights. Perhaps the real evil in the matter is that the literature contained an implied lie, by implying that Mr. Tapping favoured increase of licences. There might be something to be said for making it an offence to publish any lie about a candidate likely to affect the views of voters. But would it be possible to get such a Bill passed, or enforce it if it became law?

I resent the action taken by certain people in my district, but such a farce could occur in any electorate. The Parliamentary Draftsman has pointed out difficulties, but a *bona fide* candidate for election to Parliament is not fairly treated in linking his name with any move to increase or decrease hotel licences. This practice is undemocratic and unfair and I appeal to the Premier to further consider the matter to obtain a solution. As members of Parliament we are trying to educate and inspire the people to take a greater interest in political activities, but, if they are to be forced out in this way and asked to vote for only one candidate the effect will be the opposite of inspiration and encouragement. Because of the fact that the electors were treated so unfairly in this case, it behoves the Government, through Parliament, to alter the law so as to prevent a repetition of this farce.

About a year ago my attention was drawn to a serious matter by a manufacturer of cement bricks at Royal Park, which is in my district. This man had been in business for a number of years, employed about 15 men, and was favoured with good business, for he was supplying cement bricks for use on Government projects such as schools and hospitals. Because he was turning out a high standard product he was asked by the Government to visit Yatala Labour Prison to teach the prisoners there how to make cement bricks.

He would have objected but he realized that there was at the time an extreme shortage of bricks and that the training of the prisoners was both desirable and expedient. Therefore, he went to the gaol and taught the prisoners to make high-grade cement bricks, on condition that the bricks were used only in the erection of schools and hospitals. He was amazed to find after a while that the prisoners' products were being used on all types of public works. Such an action by the Government is entirely wrong, and I resent it greatly, for it has had two effects. Firstly, men have been put out of employment because of the competition from the Yatala Labour Prison. This applies to my constituent in Royal Park. Secondly, I am amazed at the Government's action, for it is supposed to stand for private enterprise, but its action on this occasion has adversely affected the welfare of those it claims to champion. If the competition arising from such action had been fair the position would not be so bad, but it is unfair. Some weeks ago in reply to a question the Treasurer said that the prisoners at Yatala were making 16,480 bricks a week. The Government is charged £10 a thousand for those bricks, whereas the price fixed by the Prices Commissioner for that type is £13 5s. 6d. a thousand, *ex yard*. The prisoners are paid about 1s. 3d. a day for their labour, whereas outside the prison workers are paid an award rate of about £2 10s. a day by manufacturers.

Mr. Fletcher—Yatala Labor Prison has one of the latest brickmaking machines.

Mr. TAPPING—Yes, and the Estimates contain an item "Cement bricks—materials for manufacture of, £7,000"—an increase of £2,973 on the previous year. That shows without a doubt that the cement brickmaking industry at Yatala Labour Prison will grow rather than diminish, and I enter an emphatic protest at the Government's evident intention to increase the number of bricks manufactured there.

Mr. Christian—Is it not desirable to have the prisoners usefully employed?

Mr. TAPPING—Earlier I said that the person who taught the prisoners to make the bricks was content, because of the exigencies of the circumstances at the time, to allow the bricks to be used on hospitals and schools, but I resent the fact that some Government department or official has departed from the original promise. Figures prove that the number of bricks manufactured at Yatala will increase, and that will undermine private enterprise and put more men out of work, which is totally unfair. It is hard for the Treasurer to

make an appropriate reply to my comments, for his Government has struck a blow at private enterprise and the workers.

In Budget debates since 1946 I have referred to the question of fire brigade contributions, and I am pleased that from time to time as a result of members' appeals to the Government some relief has been afforded to councils, but unfortunately that relief has not been of much avail and, consequently, councils today are being burdened by their annual contributions. Naturally I am concerned with my own district. In 1951-52 the Port Adelaide council contributed £12,626 to the Fire Brigades Board. This year it must pay £14,000 by way of contribution, and to enable it to do so it has imposed an additional rate, known as the fire brigade levy, of 2d. in the pound, although such increase in the rates will provide no improvement in roads or footpaths throughout the district. I agree with the member for Prospect that councils are today finding it difficult to cope with the demand for better roads and footpaths, particularly in view of the expansion taking place in almost every council area.

In 1951 the Government made a special grant of £30,000 in order to ease the position of councils with regard to their contributions to the Fire Brigades Board, but, if I am correct in interpreting the Premier's reply to a question I asked some weeks ago, five-sevenths of the total grant went to the fire insurance companies and the remainder to the various councils which contributed to the board; therefore, £21,000 went to the insurance companies and only £9,000 was left to be divided between the councils. Any relief given by way of a special grant from the Government should be wholly to relieve councils, none should be given to fire insurance underwriters at all. If they are not receiving sufficient return from their premiums, they have the right to apply for an increase to cope with increased costs, whereas the councils have no hope of recouping their contribution unless they impose a special levy. If they do that, the money is taken from the ratepayers and the council does not carry out its normal function of looking after footpaths and roads, but merely imposes a levy to meet an added impost. The Woodville council is paying about £3,000 a year to the Fire Brigades Board, and under the peculiar set-up of fire brigade contributions, although it has more ratepayers than the Port Adelaide council, this amount represents only about a quarter of the amount

paid by that council. The member for Hindmarsh and other members have made fervent appeals to the Government to allocate the contributions more equitably, but, although special grants have been made from year to year little real relief has been given. I trust the Government will give this matter special consideration and that when it brings down provision for a special grant, that grant will be made for the express purpose of relieving the councils rather than a large portion of it given to fire insurance underwriters.

Like other members I express grave concern at the deterioration in the affairs of the Municipal Tramways Trust. In the year 1952-53 £700,000 was granted by Parliament to the Trust, and this Budget provides for a grant of another £600,000, which means that that in less than two years £1,300,000 will have been provided by Parliament for Tramways administration. Recently the trust brought from the United States of America two experts who apparently have the knowledge from which to give advice on how to conduct the running of tramway buses more profitably. According to the press they have already suggested the entire elimination from service of the double-decker buses, which would result in dispensing with the services of conductors and the use of only single-decker buses. I think that step would be wrong, for the double-decker bus holds almost twice as many passengers as the single-decker, and instead of speeding up the service, the elimination of the double-decker would have the opposite effect. It would be a retrograde step and I am concerned because, if this proposal were put into operation, men employed as conductors would lose their jobs. In view of my experiences on the Cheltenham-Largs North bus route in my district, I strongly oppose that proposal. The buses on that route, which is conducted by the trust, are operated by a driver who also acts as a conductor, taking fares, issuing tickets, and giving change. Frequently the bus is 12 or 14 minutes behind schedule, and it seems to me that it would be uneconomic to dispense with a conductor, for when a bus is running late it becomes an old-fashioned and obsolete means of transport and patronage which would be enjoyed by a modern and efficient service is lost. I suggest that if the disposal of the double-decker buses is proposed for the express purpose of eliminating conductors it will have an adverse effect on the service.

Mr. McAlees—We had to get men from America to tell us that.

Mr. TAPPING—Previously I said that there was no need to bring experts to this State, because we have men who, over the years, have gained enough experience to make suggestions. It is all right at times to get information from overseas, but we have the men with the necessary calibre to put the trust on a sound basis. Some months ago I said that the only State bus service system paying in Australia was that conducted by Queensland authorities, and we could get experts from that State to give us advice. Even in New York the transport service is losing money, yet we bring experts from there to help us improve our system. Our trust has a difficult task. If we are to have a governmental instrumentality it should be 100 per cent so, instead of being a piecemeal arrangement. I have pointed out on other occasions that the Kilburn and other private bus services return a good profit. The Kilburn service carries thousands of passengers daily and I give the proprietor credit for what he is doing, but I think the service should be taken over by the trust. If that were done and the trust could not make it pay, I would be the first to admit that it should be returned to private enterprise, but I am confident that the trust could conduct all the private bus services in the metropolitan area at a profit. The following is a copy of a letter received by a trust employee from Mr. Keynes, the general manager:—

Trust cottages at Port Adelaide depot—You are advised that it will become necessary to demolish the trust cottages situated in Alfred Street and Coburg Road, Alberton, in order to make room for the modern bus depot to be built on the Port depot site in connection with the trust's reorganization scheme. It is anticipated that the work of demolition will commence in approximately six months' time and this memo. is intended to be a preliminary notice so that you will have adequate time to secure another home.

The fact that Mr. Keynes suggests that the employee will have time in which to find another home shows that he has no conception of the housing position. I hope that at the end of the six months Mr. Keynes will decide not to evict employees from the trust cottages, of which there are eight. At Hackney two brick cottages have been converted into offices. If I could be assured that the demolition of the cottages at Port Adelaide would be necessary to house buses taken over from private services I would have no objection, but there is no assurance that the private buses are to be taken over. Apparently the trust is to spend money without giving the matter mature

consideration. I hope that soon the Government will be able to say that instead of giving thousands of pounds to the trust each year there will be some relief from the heavy burden. A grant of £1,300,000 in two years is terrific. I hope the points I have raised will be considered by the Government.

Mr. PEARSON (Flinders)—Any remarks which one might make on the Budget must to some extent constitute a review in two directions. Perhaps the look backwards may be of more value to us than the look forward, because in reviewing the past we naturally deal with facts of history, but in attempting to look to the future we contemplate circumstances which may or may not arise. I propose to spend most of my time in looking backwards because I believe it is from that direction that we derive most of the information we need to gauge the future. I suppose there is no more informative document than the Auditor-General's report, if one desires to make a review of what has happened. I have spent some time in studying the document. I realize from what the Auditor-General said, and what the Treasurer said when he introduced the Budget, that it is one thing to make a Budget and another to keep to it. Some things have been said in criticism of statements in the Budget, but the Treasurer claimed that they were not haphazard statements but compiled by men with long experience. As he has now introduced 15 Budgets I believe the Treasurer is probably more competent than any other man to hold the portfolio to assess how things will pan out. If he gets within £1,000,000 in a £50,000,000 Budget he leaves little room for criticism against him or any of his officers on the score of accuracy.

As the Treasurer said, the success of the last few years governmentally has been due to three or four favourable circumstances, and Mr. Bishop in his report referred to similar things. There is no doubt that we have been blessed with a succession of very good seasons agriculturally and pastorally. Seeing that South Australian prosperity rests primarily on these things it naturally follows that good seasons react favourably on the finances of the State. I agree that we apparently have reached the top in inflation and that is something for which we should be grateful because in the last few years there has been a disappointing succession of inflationary tendencies to which a year or two ago there appeared to be no limit. There can be no real answer to the problem of inflation, but the wise financial policy of the Commonwealth and State generally has assisted

materially in bringing to an end the upward trend. Although disappointing to taxpayers, as some of the measures taken must have been, I believe the community now is prepared to applaud both the Commonwealth and the State administrators for the steps taken 18 months or two years ago. There is no doubt that the rather stern measures which then appeared to be inevitable have proved in the long run, or perhaps in the short run, to have been more or less adequate to meet the abnormal conditions. I am sure that everyone, wheatgrower, woolgrower, wage earner or salaried employee, is happy that, apparently, we have reached the top of the spiral and that we may look forward with some confidence to an improvement in our financial structure.

The fact that late last year our Treasurer was able to direct certain revenue into much needed channels is worthy of great commendation. About March last year State finances generally were exceedingly tight. Indeed, perhaps even prior to that time the stringency began to manifest itself. The Treasurer took stern steps to take hold of the position and definite instructions were given to Ministers to take great care to effect savings. Largely as a result of that, the Treasurer was able to get through the financial year with something in hand, and every elector, and indeed every taxpayer, is always prepared to applaud care and proper oversight of Government expenditure. So often are we accused of being wasteful, so often is it said that the Government does not exercise proper supervision over expenditure, and people point to wasteful methods and lack of proper administrative capacity, that it is pleasing to know that rigid economy has shown that this State, its Government and various Ministers, were prepared to meet the situation and take hold of it early enough to arrest the drift in finances and end the year with a very handy surplus. I desire to publicize this matter because I believe it is further evidence that this Government and its Treasurer are well awake to the trends of the time, and are able to meet such circumstances when they arise.

I am pleased that the Auditor-General in his entirely independent report, for the guidance of members and the public has seen fit to comment on this matter in favourable terms. Another matter which gives me much satisfaction is that the upward trends in interest rates seem to have somewhat steadied. In the years immediately before the great depression those of us who were in business or interested in finance will recall a very steep upward

movement in interest rates a few years prior to 1930. I believe from that experience we are satisfied that interest rates are a barometer of economic health, and that when the rates required for borrowed money reach around the 5 per cent mark and higher it is time to take stock of the position, because from 1927 to 1930 we found that the rates rose very steeply, up to perhaps $7\frac{1}{2}$ per cent on bank overdraft rates and very much higher on other loans. I am therefore very glad that money seems to be more readily available than it was 12 months ago, and at rates below 5 per cent. The response to the loan floated by the Electricity Trust was a sterling example of this, and reflects two things—on the one hand, that money was available at a reasonable interest rate and also it indicated the very great confidence the public had in semi-governmental loans in this State. I now want to devote a little time to discussing our Budget as a business undertaking. One of my first impressions as a member of this Parliament was that government is, on the financial side, exactly a business. There seems to be a popular misconception in the minds of the public that Governments can always find money for this or that purpose, and there is perhaps the lack of realization that before money can be spent it has to be either earned or procured from some source. Criticisms of the Government in the realms of finance seem to fall into two categories—firstly, the failure to spend enough and secondly, that taxation and service charges for governmental instrumentalities are always too high.

The Hon. M. McIntosh—They generally come from the same people.

Mr. PEARSON—I was not going to go as far as that; I was about to say that those two criticisms are completely incompatible. If we examine, as I propose to do, some of our State undertakings I think we will see how costs in these various departments have increased in the last few years, and the picture of these increasing costs is not, I regret to say, a very encouraging one. If there were prospects that these costs would continue to increase in the next five years as they have done in the last five, I would be considerably concerned about the outcome.

Mr. Quirke—Does the honourable member think there is any prospect of that not happening?

Mr. PEARSON—I believe we have reached the peak of our inflationary spiral. Now that the principal factors in increasing the costs of governmental instrumentalities, namely the basic

wage and quarterly adjustments, have been pegged, I think we can look forward to something like a level. That is my conception of it, and I dare to hope that is the position. There is a tendency, and in fact the Treasurer referred to this, towards an easing of the prices for primary products, and if there is a fall in primary incomes that will immediately reflect itself in the demand for goods and services in this State which will in turn tend towards a reduction in the costs thereof. I do not say that I enjoy that prospect, but I think it is quite obvious, and will have its effect economically in due course. Every Government instrumentality we look at seems to tell the same story—education, health, water supplies, roads, transport and housing. Before this debate is concluded somebody, perhaps even I, will demand increased expenditure under one or more of those headings. There seems to be no lessening in the demands on the various departments, particularly in the field of transport; our tram cars will eat up £700,000 of the State revenue in one year, the railways will take £4,500,000 of taxation. There are demands from widespread sections of the community for increased housing facilities, lower rentals, homes for aged people—all very worthwhile causes, but if we are to pay for these things we must find the money.

Turning to criticism that taxation and charges for goods and services are too high, we have reached the stage in railway fares and freights where a certain amount of buyer resistance is developing, and customers of the railways and tramways are turning to alternative means of transport because they feel that the freights and fares are too high, or if not too high that there are alternatives which are more palatable and perhaps just as cheap.

The Hon. M. McIntosh—More palatable, but not just as cheap.

Mr. PEARSON—I agree that if many people who drive motor vehicles had had the experience of the cost of maintenance that either the Minister or I have they would realize the tram car is cheaper. However, the fact remains that people are turning to these means of transport. The point of diminishing returns seems to have been reached as far as the tramways are concerned, and there does not seem to be any prospect of rehabilitating the trust's finances by an increase in fares.

Taxation is always unpopular. Last year when this Parliament increased succession duties it was subjected to prolonged and determined criticism in the public press. I supported that increase after having made a

careful study of the schedules to the Bill, and having satisfied myself that probably in the long run more people would benefit than would suffer from the revised schedules. That has turned out to be correct because, as shown in the Budget this year the return from succession duties for the year ended June 30, 1953, is less by £80,000 than for the previous year. There are two types of taxation—

Mr. Fred Walsh—High and low.

Mr. PEARSON—No. It is a question rather of whether people are taxed on a flat rate basis or whether we soak the rich. Obviously, all taxation must have some regard for the ability of the taxpayer to pay; that is an incontrovertible fact. For instance, the basic wage earner could not pay a lump sum in taxes that the primary producer or the wool-grower is called upon to pay, and which despite many heart burnings, the wool grower has paid. Looking back on that it seems to me that the only bad feature of the heavy taxation on primary producers was the political weapon it placed in the hands of the Labor Party in the recent elections, because, although the incidence of that taxation is entirely at the hands of the Commonwealth, my friends opposite used the unpalatability of that tax quite effectively in many country electorates during the campaign. It is fair to say, because it is quite true, that Labor generally has consistently advocated policies of expenditure which require increasing demands on the public purse and when called upon to justify these, or to declare where the money is to come from they say, "We will soak the rich"; they may not say that in this House but they do at the Botanic Park and other places. We all subscribe in part to the saying, "He must pay who can"; but there is a limit to the strangling of the goose that lays the golden egg. If we eat up all the reserves and wealth of the community, as they have done to a large extent in Great Britain under the strain and stress of war-time finance, then we will have to rely on balancing the Budget by making all services for which the Government is responsible pay their way from year to year. There is no gainsaying that fact, and if that is done then we will have nothing on which to fall back and will be obliged to make all the services pay their way. If we must have these Government instrumentalities in operation on this basis we would have nobody prepared to ride

in trams or trains and few people who could afford to go to public hospitals, or educate their children, and so on. There is a basic rule that has been applied in Government finance for a number of years, and particularly since the war, that if you increase charges for services you inevitably force up the cost of production. This, in turn, tends to price us right out of overseas and interstate markets, or just purely local export in competition with other suppliers. In his last annual report the Auditor-General comments on that matter in the following words:—

Since the war it has been the policy of the Government to meet, either wholly or in part, from State taxation and Commonwealth grants, the increased cost of services provided by the Government (including public utilities), in preference to increasing charges for services commensurate with increasing costs. That policy has been reflected in the Treasurer's accounts by the increasing proportion of the total annual revenues that has been derived from State taxation and Commonwealth grants. For the year ended June, 1954, that proportion was 42 per cent, and increased each year until 1950-51, when it was 56 per cent.

I have no quarrel with that policy, provided we know where to stop. Continuing to tax the community under a system whereby we declare that "He who can pay must pay" is directly subsidizing one section of the community at the expense of another. There is a limit beyond which we cannot or dare not go in that regard. It has one unfortunate result, namely, that the average elector is quite unaware of the cost of Government and the maintenance of Government instrumentalities. I doubt whether members of this House, unless they have made a careful examination of the reports which come to us from time to time, know what our various services are costing. Not only in Australia is the need for this knowledge becoming apparent, but I find that in the United States of America quite recently similar concern has been expressed. In *Time* of September 28 appears an article on the Federal sales tax and the following are extracts:—

If the United States is ever going to balance the Budget, new sources of revenue must be found, since present sources have just about reached the point of diminishing returns. Corporate taxes are already so high as to inhibit industrial growth; income taxes have reached such a high level that if the U.S. confiscated every penny of individual income over \$10,000 a year it would only get \$3.5 billion in additional revenue. But each 1 per cent of a sales tax would yield \$800,000,000 if imposed at the manufacturer's level and \$1.2 billion if put on retail sales.

Then follows a discussion on the merits and demerits of this kind of sales tax.

Mr. Quirke—That would apply here, too.

Mr. PEARSON—I think it would. One of the arguments used in the article in respect of such a contention is as follows:—

It would also broaden the tax base so that the 25,000,000 wage earners who now pay no Federal income tax would share some of the tax burden. Opponents of the sales tax often brand it a "businessman's tax" in the belief that it would shift more of the tax burden from corporations to individuals. But businessmen themselves are divided on the tax At least a Federal sales tax would make all citizens conscious of the cost of Government, and by so doing increase by that much their zeal to keep it down.

That is a very pertinent summary of the position, and I quote it because it illustrates aptly my point that in our clamour for more of this and more of that at the expense of the Government we entirely overlook what these things are costing and what eventually we must pay. In making these remarks I realize that all of us frequently ask for public expenditure on various things. We demand amenities to bring us into line with other people in other districts and we often use the phrase "Our people are entitled to them." Especially in country districts we try to provide facilities to aid production, to keep people on the land, to reward them for their disabilities and pioneering efforts. We want to take care in our civilized community of aged people, of those who suffer ill-health, poverty and distress of various kinds. We try to help in reforming would-be criminals, and take care of delinquent and unwanted children; we try to provide health facilities, education for young and old, to administer the law, provide all the machinery for democratic Government and to meet the ever-increasing demands for Government spending, and fulfil the requirements of our increasingly dependent and complex social systems and way of life. The sharpest political cleavage in these matters between Parties is merely a matter of the degree to which the individual should be subsidized by expenditure from the public purse. I often feel that because of their training in business, finance and the practical application of economic laws, the members of the Liberal Party have a much more realistic and practical approach to the problems of Government

finance. If on this account the more extremist elements of the left wing brand us as reactionaries, I am afraid it is due not to our unwillingness to help the unfortunates, or a lack of sympathy with the attainment of the highest standards of social life, but is attributable to a sound business knowledge and a realization that there are, eventually, limits to the practical implementation of the welfare state. In short, the rules of Government finance are exactly the same as the rules for financing business or the home. The things we can buy, whether on time payment, which is equivalent to Government loan expenditure, or from salaries or wages, which is equivalent to revenue, are governed presently and ultimately by the money we can earn. If we spend money on some things which do not earn they become a tax on those things which do. There is no magic in Government finance—the rules are as simple and elementary as the rules of household budget. At times we should stress these things, because all of us, and the public perhaps more so, tend to forget them. If we want to spend more we must earn more. If we do not earn more, then the increased expenditure by one member of the family must necessarily restrict the spending of the others. In this regard I must add, lest I be misunderstood by the Treasurer on the one hand and the electors of Flinders on the other, that I realize there are 38 other members in this House whose constituents are very much greedier than my own and perhaps somewhat less in need. I therefore intend, to the best of my ability, to see that my district enjoys a fair share of the public expenditure, having regard on the one hand to its present high productivity and consequent high contribution to the public revenue by way of taxation, and on the other hand to its comparative lack of public amenities and services by reason of its more recent settlement and development and its scattered population. In his report the Auditor-General has a table showing the cost to the taxpayers of the principal Government instrumentalities. I have prepared a condensed table showing the actual cost to the taxpayers of Government undertakings after all earnings of the departments have been deducted, and ask leave to have it inserted in *Hansard* without its being read.

Leave granted.

Net Cost to Taxpayer of Functions of Government.

	Net cost to taxpayer.	Cost per head to taxpayer.	
Year	1952-53.	1948-49.	1952-53.
Population	750,000	665,139	750,000
Social Services—	£	£ s. d.	£ s. d.
Education, etc.	5,807,000	3 16 9	7 14 10
Medical and health	3,310,000	2 10 6	4 8 3
Law, order, public safety	1,552,000	1 2 6	2 1 4
Social amelioration	428,000	0 7 5	0 11 5
War obligation	333,000	0 6 9	0 8 11
Development—			
Roads	2,124,000	1 10 5	2 16 8
Agricultural	424,000	0 14 4	0 11 4
Land development	22,000	0 1 6*	0 0 7
Mining and survey	393,000	0 2 1	0 10 6
Miscellaneous	231,000	0 7 0	0 6 2
Grants and other expenses (foreshore and Municipal Tramways Trust) . .	2,352,000	1 15 6	3 2 9
Trade and industry	117,000	0 1 10	0 3 2
Public Utilities—			
Railways	4,982,000	3 19 8	6 12 10
Harbours	207,000	0 4 2*	0 5 6
Waterworks	1,054,000	0 13 10	1 8 1
Irrigation	278,000	0 6 2	0 7 5
Produce	3,000*	0 0 3	0 0 1*
Totals	£23,611,000	£17 0 11	£31 9 8

Increase per head since 1948-49, £14 8s. 9d. = 85 per cent. After adjustments (inflationary) = 12 per cent.

* Credit.

The table shows the net cost to the taxpayers for the years 1948-49 and 1952-53 and the increases between those periods and that since 1948-49 the cost to taxpayers per head of government instrumentalities and services has increased by £14 8s. 9d. (85 per cent). That is rather astounding. Even if we make a proper allowance for the altered values of money by relating costs back to the basic costs listed in the C series index for the period under review, we find that even then the actual increase in cost is 12 per cent.

I shall make particular reference to one or two of our departments. The Department of Agriculture is one of our less costly departments, but one of our most important. I support the remarks of the Leader of the Opposition, who stressed the necessity for soil conservation in this State and its value not only to the present but also to the future of agriculture.

[Sitting suspended from 6 to 7.30 p.m.]

Mr. PEARSON—In addition to the matters I have already mentioned in connection with the Department of Agriculture there are one or two other matters I desire to refer to. Firstly,

as I mentioned in the Address in Reply debate, I believe it is essential that we should take active steps to improve the meat marketing conditions on Eyre Peninsula. I realize that there are many difficulties associated with this, but I believe that eventually they will have to be overcome. I am wondering whether the Minister might agree to an officer making another investigation. Investigations have been carried out but another attempt might be made to get Port Lincoln killed meat on to the Adelaide market. If a conference of meat trade interests were convened something of value might be evolved.

Another matter which concerns me is the possibility of transferring Roseworthy Agricultural College from the Department of Education to the Department of Agriculture. I believe that Roseworthy has developed rather more along the lines of an experimental and research station than its activities in the realms of agricultural education. It is fulfilling quite adequately the demand for agricultural education and I have no criticism of it on that score, but insofar as it does much valuable work in the field of experiment, plant breeding, tabulation

and sorting of facts relating to agricultural experiments, fodder conservation and other purposes, it seems to me that it is more an agricultural department than an educational department.

The Hon. Sir George Jenkins—Wouldn't you regard those experiments as being of educational value to the students?

Mr. PEARSON—Certainly, but not long ago we saw fit to transfer the then head of that college from that position to the position of Director of Agriculture. That lends support to my views. It might provide a better liaison if Roseworthy College were under the Minister of Agriculture. The net loss on Roseworthy last year was £70,678 and the value of produce marketed from that institution was £14,875. That does appear to be a reasonable turnover from a property of that size. Students' fees collected were £12,515. I do not know whether the college has its full number of students, but it seems to me that a total loss of £70,000 is considerable when we consider that many of the costs of running the institution are met out of the proceeds of working it as a farm.

Mr. Hawker—The fees would not pay for the students' food.

Mr. PEARSON—If there is a loss on fees, that aspect might be considered.

Mr. Brookman—Many scholarships are issued.

Mr. PEARSON—A number of scholarships tenable at Roseworthy College are awarded and that may have some bearing on the amount of fees collected. The vote for education is giving us a deal of thought and perhaps some concern. While I consider that the State should spend all it can afford on education I believe there are limits and that there are also methods. Education is a long-term investment from which no direct return can be expected except through the eventual contribution to society which the technical and academic qualifications of the citizens who have passed through its schools will provide. There are two extremely active agencies which work unremittingly for increases in educational expenditure—the teachers and the parents. Teachers, of course, are, in the main, enthusiasts for their profession, and that is as it should be and it is a cause for great satisfaction. Teachers are entitled, as are any other sections, to work for their own betterment and perhaps with more justification, because not only do they benefit, but the children who are taught benefit also. Parents are active because they are parents, and as such are very susceptible to suggestions and

urgings from their children and teachers that the best is not good enough. I do not believe the education should be merely utilitarian, nor should it be designed only to equip a child to eventually earn a living or to be able to fill in a form. But I believe that primary education should be primary education and that specialization in early years can be both wasteful and presumptuous. Neither do I believe that the child should be educated in surroundings that tend to give a false impression of the environments of later life. Although the three R's are certainly not the whole of education, they are at least essential. Complaints from high school and college heads to the effect that primary school standards have fallen well below their pre-war levels are too persistent and wide-spread to be ignored. I believe that if this criticism is justified it is not because of insincerity but probably for reasons of misplaced emphasis.

Inspection of some of our modern schools and the equipment provided suggests a degree of extravagance, and, while so many essentials remain to be provided in many areas, possibly some of the expenditure on luxuries for staff and children is premature. I am not losing sight of the fact that some of these things are provided in part by school committees, welfare clubs and parents' organizations, but even in these cases a substantial part is provided by the taxpayer. The net cost to taxpayers for education rose from £2,540,000 in 1948-49 to £5,796,000 in 1952-53, an increase of 128 per cent. The total amount spent in 1952-53, £6,018,000, represents 12½ per cent of the total revenue of the State. While the number of children increased by 11.4 per cent last year, the net cost increased by 24.7 per cent. An analysis of the cost per child in the various educational sections is also rather alarming. In 1949 the cost for primary education was £22 6s. 7d. and in 1952 £34 4s. 9d., an increase of £11 18s. 2d. a child or 50 per cent.

Mr. Corcoran—How do those figures compare with other States?

Mr. PEARSON—I do not know the figures for other States and I am not very concerned with them.

Mr. Quirke—How do they compare with the price of wool?

Mr. PEARSON—I do not know that I am very concerned with that at the moment because the price of wool, like the price of barley, is liable to tumble at any moment, but I am afraid the costs of education will not be so reduced. That is the whole matter with which

I am most concerned, that the costs of our fixed commitments have reached a level from which it will be difficult to recede, whereas the prices of our income-earning commodities may fall very rapidly and leave us somewhat high and dry.

Mr. Quirke—Are you coupling the increased costs with the reduced standard of education?

Mr. PEARSON—No. I am referring to the increased costs as being a factor in our economy which rather concerns me. In 1949 the cost of higher primary education was £31 8s. 6d. a child and in 1952, £49, an increase of £17 11s. 6d., or 55 per cent. The cost in area schools was £42 5s. in 1949 and £65 4s. 11d. in 1952, an increase of £22 19s. 11d. or 52 per cent. In high schools the cost was £56 4s. 2d. in 1949 and £78 2s. 6d. in 1952, an increase of £21 18s. 4d., or 37 per cent. The cost of junior technical education increased from £51 4s. 2d. in 1949 to £72 17s. 11d. in 1952, an increase of £21 13s. 9d. or 41 per cent.

Mr. Corcoran—Where did you obtain figures?

Mr. PEARSON—From the Auditor-General's Report. On those figures the cost of educating a family of two children through primary schools is £480. To get them through high school costs a further £780, or a total cost of £1,260 for tuition alone. If they undertake a full course at area schools it costs £1,100. That is the extent of the investment the taxpayer is making for educating our children. I examined the amount I have paid to put my children through college and found that for the second term of 1953 the cost of tuition for one of my sons was £27 or a total of £81 per annum. My son is doing secondary education and we can compare that with the cost of education in our high schools, which, in 1952, was £78 2s. 6d., or slightly less than £3 below the cost of sending a child to college. We should bear in mind that the high school pays no land tax, income tax or rates, and that the figures quoted contain no allowances for the provision of buildings or land. Those expenses must all be met by private schools or colleges, and I suggest that the cost of high school education has now reached a stage which costs the State more than college fees at private schools. We should examine that. I do not know the remedy, but the matter warrants investigation. School transport is another question that has caused me, as a member for a country district, considerable concern. Since the inauguration of the policy of consolidating the schools transport costs have necessarily increased. Last year it cost the department £264,000 for

transport, an increase of £30,000 over the previous year. The Auditor-General states:—

The provision of these services does not wholly represent an additional cost for education, as the cost is, to some extent, offset by savings from the closing of small primary schools and by obviating the necessity for opening new schools. The number of smaller schools decreased from 752 at the end of 1940 to 335 at the end of 1952.

I found it impossible to compute the actual savings effected by consolidation, and I doubt if there are any. On the accommodation side we have tended to increase the space per child, so there cannot be any saving in buildings. I have found that the number of children per teacher has only slightly increased, from 31.8 in 1937 to 33.6 in 1952. Of course, there are some incalculable factors, such as the movement of population to the city and economies of administration, due to the closing of 417 small schools, but the number of children being taught in primary schools has increased by only 18,000 since 1937, when it was 72,000, to 90,000 in 1952. In the same period the number of teachers increased from 2,264 to 2,667. School transport is a problem that is never wholly solved, but I pay a tribute to the officer of the department, Mr. Harris, who is doing a magnificent job in organizing and administering this section. He is a man who knows the country districts remarkably well. He has been able to discuss local problems in his office whenever I have called on him and I believe he is doing the best he can to maintain transport to the satisfaction of parents and bus owners.

Mr. Corcoran—Bad roads add to the cost of that service.

Mr. PEARSON—I agree entirely. Private bus owners are becoming dissatisfied and I have watched this trend for three years. They tend to vacate the field of school transport. I think some of the dissatisfaction arises from the fact that they are not making the financial progress during these boom years that other sections of the community are. When they look around and see how fast some other people are moving ahead financially while they are working on a contract basis, with an admittedly fine margin, without making equivalent progress, they do not stay in the field.

Mr. Fletcher—The safety of the buses is an important factor.

Mr. PEARSON—Naturally the bus operators are required to maintain their vehicles in a safe condition. I have examined the department's method of costing and could not find any reason to disagree with it; in fact, I

believe that the basis on which the department draws up its costing is sound. I am now making a close investigation into one case to see whether it is fair. When the policy of consolidation was embarked upon certain undertakings were given by officers of the department to parents whose schools would be closed. I believe the Government is under an obligation to honour the promises made upon which the parents based their decision to permit local schools to be closed and children to be conveyed to adjacent larger schools.

The Engineering and Water Supply Department is one of our big spenders and costly undertakings. The Treasurer's funds now employed amount to £28,573,826. There is no denying that South Australia is probably the most advanced of any State in water reticulation. About 90 per cent of South Australians can turn on a tap and obtain water under pressure from a Government undertaking. When one travels throughout the other States and sees the Heath Robinson systems some of them have for the reticulation of water one comes back to South Australia with a high appreciation of what the department has done.

Mr. Hawker—And we have less water than any other State.

Mr. PEARSON—Yes, so we started under a handicap, but that possibly explains why we are now the most forward State in this matter, for necessity forced us to take action. Last year we lost £750,000 on our State water undertakings. The metropolitan area made a profit of £60,000, but included in the accounts is an expenditure of £100,000 on the Mannum-Adelaide pipeline, on which no return can yet be made, so the profit was really £160,000. The capital invested in the metropolitan water scheme is £11,849,046. However, in country water schemes serious losses are being incurred. Perhaps the scheme in my district is the worst of all financially. I am not now criticizing the department, nor am I saying that my constituents have had more than their due, but the public should know what some of the undertakings are costing. Last year the Tod River system cost the taxpayer £270,636. In other words the cost of the operation of that scheme was four times as great as the revenue the department received. I believe one of the prime reasons is that the Tod trunk main was originally laid under a policy lacking in foresight. Steel pipes were laid underground to

carry water with a certain magnesium content. The result was that over 100 miles of main was soon in such a condition that more water was lost through leakage than used by the consumer. It was extremely costly to replace that main. In other words, the capital invested in that system is out of all proportion through bad engineering and bad policy, to what it should have been.

Mr. Hawker—It was standard practice in those days to lay the pipes in that manner.

Mr. PEARSON—I cannot help that. If they had been cast iron pipes laid underground there might have been some hope, but they were ordinary steel pipes.

Mr. O'Halloran—The cast-iron pipes are not made in that size.

Mr. PEARSON—Can the Leader of the Opposition tell me of any other trunk main in South Australia laid under similar conditions which had to be relaid so quickly?

Mr. O'Halloran—It was standard practice at that time.

Mr. PEARSON—I could say other things about the Tod River scheme.

The Hon. T. Playford—But pipelines laid in accordance with current practice do not pay.

Mr. PEARSON—I do not suggest they do, but I point out that the Tod River scheme is loaded with double capital cost.

The Hon. M. McIntosh—No. The reservoir itself cost a great deal, but it has not been renewed, and neither have the pumping stations.

Mr. PEARSON—There was wasteful capital expenditure and the scheme has to carry it.

The Hon. T. Playford—No, the general taxpayer does.

Mr. PEARSON—The loss on the Tod River scheme last year was a big one, £270,000. I do not care whether the Federal or the State taxpayer meets it, but there is capital included in the £4,555,918 invested which would not have been there but for bad judgment in the early stages.

The Hon. T. Playford—If all the capital charges were excluded the scheme would still not show a profit.

Mr. PEARSON—I am not arguing that point.

The Hon. T. Playford—How can the capital cost be the determining factor?

Mr. PEARSON—Of course the capital cost has a relation to the scheme's balance-sheet.

The Hon. M. McIntosh—But it does not pay working expenses.

Mr. PEARSON—The scheme has been debited with certain capital as a result of the methods employed in laying the mains.

The Hon. M. McIntosh—There was no other method in those days.

Mr. Christian—Western Australia had already laid pipes above the ground.

Mr. PEARSON—I realize that no country water scheme is paying its way, and under present costs I do not think we could design a scheme which would, but I have one or two suggestions to make. The trunk mains of the Tod River and Uley-Wanilla schemes have been completed for the time being, but it is necessary to get on with the laying of branch mains as quickly as possible so the people can be served with water. I know what the Minister will say.

The Hon. M. McIntosh—Every branch main increases the loss.

Mr. PEARSON—I knew the Minister would say that, but I have a suggestion to make. It is necessary to bring more area into the ratable area and to sell more water and increase the indirect return to the State. The cost of branch mains calculated on the present costs of 4in. cast iron and concrete pipes is about £6,000 a mile or more, and it is obviously impossible, even on a rating of two and a half times the normal rating, to make an economic proposition out of it, because, at 10d. an acre and collecting rates for both sides of the main, only £53 per annum is returned on each mile of pipe while the charges amount to about £235 a mile. I am not quite sure of the exact figures for I am not certain how the debt charges in connection with water schemes are made up. I suggest we are no more justified in increasing water rates to meet costs on country schemes than we would be in increasing train or tram fares in the metropolitan area to meet full costs. If we are not to admit defeat in water reticulation we must investigate cheaper methods of installing branch mains. I suggest that we thoroughly consider the laying of water through galvanized iron screwed pipes on top of the ground. I believe such piping can be bought at less than 5s. a foot as against £1 or more for other piping. The piping could be laid by local farmers under departmental supervision, and allowing a life of 20 years for the galvanized piping and 60 years for the cast-iron piping, a saving of about £139 a year would be effected on each mile of piping.

The Hon. M. McIntosh—I have seen lengths of galvanized iron piping laid above the ground lost in one night because of frost.

Mr. PEARSON—I have miles of it on my property and so have many other farmers in the district. I believe there is some objection that, because of the expansion and contraction due to heat, the pipe moves about a bit. I do not want the Minister or his departmental officers to enter into this investigation with any undue bias because at present costs it is uneconomic to lay water.

Mr. Christian—The suggested method has been standard practice in Western Australia for many years.

Mr. PEARSON—Yes, and it is possible to line even small bore pipes with concrete, which would be a comparatively inexpensive operation and would take care of internal corrosion which, in my experience, is perhaps the worst enemy of pipes laid above the ground. It is a matter, not so much that the interior of the pipes rust out, but that the mineral content of the water seems to build up and reduce the diameter of the pipe, eventually putting it out of commission. I trust this matter will be thoroughly investigated for I believe it will prove a means of getting more water on to the farms and thereby increasing production.

It is reported for the first time in many years that, unfortunately, the Harbors Board Department has shown a loss. The Treasurer proposes to increase Harbors Board charges, and there can be no real quibble with this proposition. There has been no major increase of the board's charges for about 23 years, but, if wharfage charges are to be increased, I would like the Minister to state what the effect will be on the people living on Eyre Peninsula. I understand wharfage fees are charged three times on goods which are delivered there by sea, the first time when they arrive at Port Adelaide from overseas, the second when they are shipped from Port Adelaide to an Eyre Peninsula port, and finally on their arrival at the Eyre Peninsula port for delivery to the consignee. The cost of shipping goods from port to port within the Commonwealth and the State has risen to such an extraordinary degree that it is now cheaper in many cases to cart goods by road for 400 miles from Adelaide to Port Lincoln via Port Augusta than to ship them 160 miles by sea. I do not suggest that the main responsibility for a solution of that problem lies with the Minister of Marine or the Harbors Board, but I point out that, whereas we can send barley to Japan for 75s. a ton, it costs about 108s. a ton to ship it from Port Adelaide to Melbourne, 135s. to Sydney, and 134s. to Fremantle. To ship it from Spencer Gulf ports to Melbourne costs 119s., to Sydney 141s., and to Fremantle

144s. a ton. In other words it costs twice as much to get a ton of barley from Port Lincoln to Fremantle as it does from Port Lincoln to Japan.

Mr. Corcoran—We can't do much about that, can we?

Mr. PEARSON—I do not know that we can, although I believe that the reason for those freight differentiations may be seen in a comparison of the wages and conditions of waterside workers and seamen—particularly the latter—in Australia and overseas countries. This is a serious matter and eventually somebody will suffer severely because of these conditions. To ship barley from Port Lincoln to the United Kingdom in Conference Line ships costs 120s. a ton, and in cargo ships only 105s., yet from Port Adelaide to Melbourne it costs 108s.

Mr. Stephens—That is because of the shipping combine.

Mr. PEARSON—Members may explain it away as they like but the biggest proportion of the cost is wrapped up in the award of wages and conditions applying to members of the Australian Seamen's Union.

Mr. Stephens—The same applies to overseas ships as to Australian coastal vessels.

Mr. PEARSON—It does not, for the Australian articles are quite different from those operating overseas.

Mr. Stephens—A waterside worker would receive the same amount whether working on an overseas or a coastal vessel.

Mr. PEARSON—I did not say he did not. I was referring to the wages and conditions of seamen. I realize that the matter I have raised is contentious and I appreciate honourable members' concern, for I, too, am concerned about it. There are some things with regard to the expenditure on roads which come under the purview of the Highways and Local Government Department and which last year were somewhat of a mystery to me. I was approached by a number of district councils who complained that their grants for roads had been materially cut, and an examination of the accounts showed that they had been cut. The figures suggest a total decrease of £505,000, but, as the Auditor-General explained, this decrease was largely due to unspent balances of grants to councils which were charged to the revenue account of that year but actually in fact were carried forward. For instance, in the year ended June 30, 1953, there was a contingent liability in the departmental accounts of £145,560 which had actually been allocated to but not spent by councils.

I have often wondered what is the reason for unspent balances of Government grants to councils. I view the matter seriously for I do not believe that any council should have a credit at the end of the year if it can possibly avoid it.

Mr. Davies—Do you suggest it should have an overdraft?

Mr. PEARSON—Yes, if necessary. I believe that the function of a council is to spend its money on roads and not hoard it up in the bank. That is one sin which I cannot condone. Recently, I attended a public meeting of rate-payers in my district where it was revealed that one district council had finished the year with a healthy surplus.

Mr. Corcoran—Yes, but the availability of labour may have been a deciding factor there.

Mr. PEARSON—Possibly, but it does not help me, when I come to the Treasurer and beseech him on behalf of the council to increase the grant, if he is able to produce figures to show that the previous grant has not been spent. The reason may be lack of labour or plant or the fact that the grant has been made late in the season and therefore the council has not had time to organize its expenditure. It may be—and I believe this is a pertinent reason—that the council has been using its plant extensively on work for the Highways Department and therefore has not used its own money. It is attractive to councils to be offered work to do for the department, for sometimes they earn more by using their plant in that way.

Mr. Quirke—It is necessary for them to carry out work for the Highways Department in order to meet the payments on interest free plant advances made by it.

Mr. PEARSON—There may be a grain of truth in that, but I consider it the function of councils to work on their district roads, and any system which encourages them to render service to the Highways Department is wrong if it means district roads lack attention. I do not know of any district council in my district which can afford to spend its time doing such work. I do not care what the reason is, but I know how it works out. The Highways Department should do one of two things. It should either put its own plant on the roads to do its work or let contracts for the carrying out of its work on country roads.

The Hon. M. McIntosh—Then the councils would complain that they did not have enough work for their plants.

Mr. PEARSON—I do not know of any council on Eyre Peninsula in that position I would like the Minister to name one.

The Hon. T. Playford—Does the honourable member say that the councils have more money than they can spend?

Mr. PEARSON—I do not think that is the answer. If, as I suggested, the councils are spending much of their time doing Highways Department work on main roads obviously the plant is not employed in using the money granted for district and other important roads. I think that is probably the explanation.

The Hon. M. McIntosh—The councils spend Highways Department money.

Mr. PEARSON—I do not agree that it is the function of the councils to spend Highways Department money. That is the function of the Highways Department itself.

The Hon. T. Playford—There would be a revolution if we cut out the grants.

Mr. PEARSON—I think there will be a revolution if the councils in my area are not able to do more on district roads.

The Hon. M. McIntosh—The Loan money will have to be cut.

Mr. PEARSON—No. The Highways Department should do its own work and the councils their work.

The Hon. T. Playford—The honourable member is entirely wrong in many respects. The Highways Department assists councils to do their work by lending plant, etc.

Mr. PEARSON—Yes, but this is not relevant to my argument. I understand last year the grants to the councils were reduced. I was told that they were reduced because the Commonwealth Grant was reduced. Various reasons were given for the reduction. On inquiry I found the Federal grant increased from £1,593,902 to £1,661,772. Grants from State revenue increased from £1,478,950 to £2,117,494, so the blame for any reduced grant does not lie at the door of the Treasurer.

The Hon. M. McIntosh—We had an accumulation of funds and we doubled the grants in the previous year.

Mr. PEARSON—The money available from Loan was reduced by £90,000, a reduction from £450,000 in 1951-52 to £360,000 in 1952-53. The major portion of the increase I previously mentioned from State revenue came from an appropriation in June of this year of £620,000. Obviously that money was not available to councils during 1952-53, but it indicates that there will be a very healthy position as from the beginning of this financial year. The

Auditor-General's report shows that there was a credit in the Highways Fund at the beginning of the year of about £1,400,000, which includes the £620,000 previously mentioned.

The Hon. T. Playford—I can assure the honourable member that the position is far from healthy.

Mr. PEARSON—I was hoping that when the reorganization of the department should take place and the new Minister be appointed he would not find in the department an empty bank account. I think I have made out some sort of case in regard to this department and I hope that the reorganization will result in considerable improvement in our roads. Just how it will be achieved is perhaps not so important, but emphatically I say that this part of our State's activities must be improved. If members travelled over the roads I travel over almost every time I leave my back door they would agree that in some parts of the State at least there is a need for improvements.

A large proportion of the activities of the Government Produce Department are centred on the works at Port Lincoln. Last year, for the first time in many years, the department showed a profit of about £9,000. It was due entirely to the increases in the numbers of sheep and lambs slaughtered for export and the local trade. In 1951-52 we killed 40,517 sheep and 16,672 lambs, and in 1952-53 it was 108,457 sheep and 70,093 lambs. In the year ended 1952-53 the increase in the slaughtering totalled 121,000, which was directly responsible for the improved financial position. This brings up two points. One is that we must see that active and forward preparations are made to kill stock at the works whilst their condition is suitable for export. Also, there must be support and assistance forthcoming in organizing fat stock markets at Port Lincoln throughout the year, and active steps taken to get meat out of Port Lincoln. The development of the Lower Eyre Peninsula and the success of the soldier settlement scheme at Wanilla, and to a large extent in the Tumby Bay area, is largely dependent on decent stock markets at Port Lincoln, because it tends to encourage the production and marketing of a wider variety of stock.

Our railways have long been the cause of apprehension. We are increasing the capital expenditure annually. Last year there was an increase of £3,370,000. The actual loss to the taxpayers as the result of railway operations is given as £6 8s. 9d. a head. There was,

I am glad to say, a decrease in the loss last year of 13s. 7d. a head. I must confess I find railway accounts very involved and I cannot sort them out to my satisfaction, but the Auditor-General says that the real loss, including debt charges, is £4,980,000. He points out that in 1938-39 every pound of revenue earned cost £1 6s. 6d. to produce, but in 1952-53 it cost £1 8s. We should consider modernizing the method of maintaining our permanent way. The cost of labour for maintenance of our permanent way last year was £1,417,116. I do not know whether this figure is as large as it ought to have been if our permanent ways had been fully maintained. I believe that the methods employed are largely obsolete, and I would like to know if there has been any recent investigation into modern methods of doing this work, for it seems to be a little behind the times to do most of our permanent way maintenance with picks and shovels, and to resort in some places to hand weeding. We should take active steps to mechanize and modernize this work because the high labour costs surely justify mechanization in every possible direction.

Mr. Davis—What about the rolling stock?

Mr. PEARSON—I do not think the rolling-stock is too bad. If there is a better plant than that at Islington I have not seen it, and I believe that Islington saved the situation during the war. There has been a good deal of juggling in railways accounts and it needs a good deal of research to get at the facts, although I am not suggesting that the juggling was improper or an attempt at concealment. The Auditor-General has set them out fairly well, but as a new member I would appreciate in next year's report an historical resume of railway finance going back, say to 1925 so that we could have a comprehensive picture. I would also like to see a sub-division of railways accounts into various divisions. If it is not possible to subdivide the mainland divisions it should be possible to take out the Eyre Peninsula division separately. I believe this section is now doing very well and that we should be able to run a better passenger service there without, at least, going into the red any further than the rest of our railway passenger services do. It is pleasing to know that a start has been made to improve the comfort of passengers; however, I do not know if driver and crew comfort have been improved. Some of the longest journeys in the State are on Eyre Peninsula and there is well over 500

miles of line on that side. There has been an almost unbelievable improvement in freight haulage due to increased rollingstock, and also, I am certain, to the organizing ability of the present superintendent, Mr. Frank Wilkinson, and co-operation of his running and maintenance staff.

Table IV. on page 113 of the Auditor-General's Report is illuminating. It reveals a remarkable steadiness in train miles, both passenger and freight, since 1944. Total freight tonnage declined somewhat after 1944, probably due to dry years, but recovered again in 1947 and tended upward to record tonnages last year. Passenger journeys, however, show a steady and relentless decline—being down to half in the country section, and two-thirds in the suburban—since 1944.

The Hon. M. McIntosh—And they will continue to decline in keeping with our prosperity.

Mr. PEARSON—I think the Minister is exactly right; possibly the increased amount received from motor taxation explains this reduction. At the same time, earnings per train mile have increased by nearly double—from 212.55d. in 1944 to 398.32d. in 1953—but working expenses have jumped from 185.38d. to 520.28d. Taking a comparison in equivalent money value we find that in 1944 earnings exceeded working expenses by 27.17d. while in 1953 they are in the reverse position—working expenses exceeded earnings by 121.96d. Putting it bluntly, this means that every mile our trains run costs the taxpayer 10/2d. on working expenses alone, without allowance for capital costs and debt charges. Whether the modernization of our locomotives will assist this position it is possibly too early to predict, although every railway man I have spoken to seems to think it will; however, when I look at the Loan Estimates and see what our rollingstock costs to build at Islington, I wonder. Our workshops there are really splendid and a credit to the State—they did a magnificent defence job during the war—but I wonder if the cost of production factors have been kept under careful scrutiny.

I have dealt at some length with our principal Government departments and in most cases I spent some time discussing the cost of services that the State is called upon to render today. I say "called upon to render" deliberately because it is a fact of our day that we expect to do less and less for ourselves and ask more, nay, demand more, from

the Government. It is our duty as members who have before us the facts of the State's accounts, to educate and inform our people on these matters and point out the trend and ultimate results of public spending. We find an increasing readiness, even in these times of record high incomes, to accept the services the State provides and to demand plenty more, but we find a great unwillingness and even buyer resistance when costs of these services are raised. The tendency is to keep charges down and to conceal costs by paying them out of taxes. This may be possible, and even politically expedient, while high incomes provide high taxation yields, but the costs are there nevertheless and may come home to us with embarrassing force if prices for our major exports fall, as they are already tending to do.

I feel that the story of the Budget for 1953-54, with its concurrent examination of the figure for 1952-53, shows one thing very clearly, that is, that the wage and salary structure has become dangerously high. We have a cost structure that will become a serious burden if a recession occurs. We can hope, I think with justification, that readjustments can be effected without too many casualties. We are faced with heavy commitments in transport, both rail and tram, and we may find housing a financial problem too, but perhaps it is better for the Government to have to face it than for the individual to be too sorely taxed. However, the Treasurer's statement and forecast for 1953-54 is distinctly reassuring. To have passed through the period of inflation and all the time made really solid progress is no mean achievement. The Government has spent wisely and has created real assets with the money expended; that, to my mind, is the real test of spending, whether or not we get something for our money that will return value in the future. South Australia leads in development in many directions—in individual prosperity, in individual thrift, and when the Treasurer says he is confident of the future we can heartily agree with him. I support the adoption of the first line.

Mr. JOHN CLARK (Gawler)—As the American writer, Damon Runyan, would say we have travelled "more than somewhat" in this debate; we have travelled along some interesting lines, we have seen some interesting country and even the by-ways from the original track have been instructive. We have heard some eloquent speeches, connected directly or

indirectly with this Budget, and some thinly veiled support of the Menzies theory that business men make the best members of Parliament. We have also heard some praise, hard as it is to credit, and some dispraise, easy as it is to credit, of the present Commonwealth Government, and we realize now why, from a certain point of view, Liberal members must be more efficient than Labor members, although of course we also realize that the public generally has learned to discount that particular point of view. We have also heard from the usual quarters the frantic and illogical warning of the decay due to the 40-hour week—I say illogical because after all it has been proved most abundantly that production has increased and not decreased since its introduction. Today we have heard, incredible as it may seem to most of us in these supposedly enlightened days, some doubt cast on the wisdom of spending so much money in this State on education. Surely the speaker could not possibly believe that the masses in South Australia today are being over-educated. I know that once there was a theory that it was a very bad thing to over-educate the masses, but surely that idea has long since passed into the limbo of forgotten things. However, it makes one wonder, on hearing such surprising statements. If tonight there is a little too much of the parish pump about my speech I trust that honourable members will bear with me, because after all this State is a parish, and the little parish pumps of the individual districts must work for the good of the State.

I will travel back to the past for a few minutes and mention a remark made recently in this House by Mr. Dunks about Governor Gawler:—"It is a great pity that one of the towns in South Australia was named after him for he was not a good example for the State to follow." With due deference to the honourable member I submit that his interpretation of history is completely wrong, and I shall try to prove my statement. I represent the district of Gawler, including the town of Gawler, and its residents are not ashamed to live in a town, nor am I ashamed to represent a district, named after Governor Gawler. I was rather surprised to hear this statement, although I know that for a long time it was the accepted thing to blacken the name of this gentleman, who should be honoured for his courageous fight against overwhelmingly hopeless odds in the early days of this State. I thought the publication of several historical works, and particularly the biography issued

in 1949 after years of historical research by the most eminent historians would have finally laid the spectre of a hopelessly incompetent and muddling Governor Gawler. I shall quote a little concerning this estimable gentleman to confirm my argument. It is from the *Dictionary of Australian Biography*, edited by Percival Serle, and is as follows:—

Gawler arrived in South Australia on October 12, 1838, with his wife and five children and found a colony of 5,000 people at Adelaide, many of whom were anxious to go on the land, but could not do so until it was surveyed. It was fortunate that the Governor had been given wide powers for he found that, though little or no money was available, emigrants were still pouring in. He appointed Captain Sturt (*q.v.*) surveyor-general and encouraged in every way the completion of the necessary surveys. Before he left Adelaide in May, 1841, 6,000 colonists had settled on the land. He also built government offices, police barracks, a gaol, and a government house, thus providing much-needed work for stranded emigrants. He organized a police force, as he had no military to enforce his authority, and he encouraged and helped the development of the religious and educational life of the colony. All this had involved much expense and Gawler, under his emergency powers, drew drafts £270,000 in excess of the revenue.

In February, 1841, Gawler heard that two of his bills had been dishonoured, but it was not until April 25 that he became aware that all his bills since September 1, 1840, had been rejected. On May 12, 1841, Captain (afterwards Sir) George Grey (*q.v.*) arrived to take his place. Gawler's recall was sent in the same vessel. He left the colony a few weeks later and attempted to justify his conduct by writing to the colonial office. This was useless as it had been determined that he should be made the scapegoat for the apparent failure of the colony. Gawler's work was long misjudged, largely because his successor Grey, in his dispatches, made the worst of his predecessor's acts, without suggesting the difficulties under which he had worked. Gawler was a gallant and energetic officer who, when he found the settlers faced with disaster, saw at once what it was necessary to do, and saved the colony. Though Mills in his *Colonization of Australia* accepts the view that Gawler had been guilty of carelessness and extravagance and cannot be wholly acquitted of blame, the extraordinary difficulties with which he was faced are acknowledged. Sturt and other men on the spot generally agreed that his administration had greatly benefited the settlement, and the select committee on South Australia reported that the critics of his expenditure were "unable to point out any specific item by which it could have been considerably reduced without great public inconvenience." Gawler in being recalled suffered the common fate of early governors, and, however much he may have been blamed in his lifetime, later investigations have given him an honoured place among the founders of South Australia.

Edward Hodder in his book *The History of South Australia* agrees entirely with that statement. Gawler is a name which any town should be proud to bear.

I shall speak mainly on this year's Budget in the light of my remarks when speaking on the Budget last year. This will present an opportunity to show just how well the parish pump has worked, not only in my district, but in the State generally. Last year I began my speech by saying:—

In presenting this Budget I believe the Treasurer did a comparatively good job. Although there has been a considerable curtailment of Loan funds, we realize that the Treasurer himself can be held partly responsible because the Federal Government, which is so anxious to curtail Loan funds, is one he has always been particularly keen to support. He is to be congratulated on presenting his fourteenth Budget, or possibly sympathized with. We on this side of the House are inclined to think that this represents too many Budgets in succession for one man to bring down. An old saying goes that hope springeth eternal in the human breast, and we, of course, hope to end the succession of the Premier's Budgets next year.

I must admit that our hopes were dashed—or were they? Despite the dragging of large and smelly red herrings across the track, there were very large Labor majorities in South Australia, both at the Federal and State elections, and we cannot altogether lose sight of that. It was not our policy as presented to the people during the last State elections but the electoral system which beat us. We have heard in this House from one of the Ministers the very true words that "first things must come first." Unfortunately, we have consistently found that Loan funds are not sufficient to keep up with public works. As I have said before, I believe that uniform taxation is in the best interests of the people of Australia, but there is no question that we are hindered when we are in the hands of a hostile Federal Government. For election propaganda purposes it has produced its latest Budget containing a certain amount of what might be termed bribes. Ostensibly, taxes have been reduced, but I cannot see much value in reduced taxes when the claimant States no doubt will find the position will be evened up by lower grants. That can be considered as giving with one hand and taking away with the other—a very popular practice we have seen in action so often. I wonder whether ultimately anyone will benefit?

During the Budget debate last year I had a few words to say about the great South Para reservoir project, which is expected to

involve a capital expenditure of more than £3,000,000. It will be worth every penny of it. This reservoir will impound 10,000 million gallons and provide the largest capacity of any reservoir in this State. It is indeed a vital work, and yet apparently is, one of those which must not come first. We know that the Mannum-Adelaide pipeline scheme is being continued in preference to the South Para project, which has been slowed down. It will be finished some day, but it is not for the good of the State that this very wonderful work should have been brought almost to a standstill.

Last year I mentioned, and members have heard it from me since, the question of a dual highway between Adelaide and Gawler. Those members who have driven to Gawler know that some improvement is needed. At one time it appeared that the project was assured. Land had been purchased and I had bright visions that before long the scheme would come to fruition, but those visions, like many others, have faded. However, there is no certainty that the dual highway will not be built. Indeed, in answer to a question on August 6, the Minister of Local Government told me that a considerable amount had been spent with the object of widening this road, but not necessarily making it a dual highway. As the Premier has mentioned, there is a possibility of the establishment of a plantation of trees along this road. Therefore, apparently the dual highway has not been forgotten altogether. On many occasions this road is nothing but a death trap, and I hope that we shall not wait until some fatality happens before the Government is prepared to take action. Trees are very nice, but I don't think anyone wants them at the expense of an improved road.

I should like to say a few words of praise of the housing scheme recently announced by the Premier for aged people and pensioners under the auspices of the Housing Trust. I have seen the plans and to me they look really good. I am pleased that the Premier has given assurance that, if required and such a scheme can be managed, some may be built in the country. A very public-spirited Gawler citizen has offered that if enough pensioners desire these homes in Gawler, and they can be built, he will be happy to give the land entirely free. This gentleman agrees with me and the Premier that we must help the old people who have earned all the help we can give them. Even if the Government loses money on the investment, it will be money well lost.

On numerous occasions when speaking in the House I have mentioned country sewerage. I am particularly interested in the sewerage of Gawler. In *Hansard* of July 23, 1947, the Minister of Works, in reply to the late Mr. L. S. Duncan, who then represented Gawler, gave the following reply to a question:—

From every point of view I should say that Gawler would be entitled to be among the first towns to be sewered. It is one of the oldest and most important towns in the State. It has an adequate water supply and I hope that it will be among the first to be sewered.

Now the Minister of Works finds Parliament still cannot afford a sewerage scheme for Gawler; indeed, he has not yet had an opportunity of doing much about it. In reply to Mr. Teusner's question in regard to sewerage extensions in his district the Minister stated:—

The standard practice is to first prepare the plan and submit it to the district councils concerned to see whether the limitation of rates as assessed by Parliament should apply, and if the councils agree that the rates are reasonable, and that the plan is justifiable and meets their requirements, the plan is then submitted to the Public Works Committee.

Recently, I asked the Minister a question to see what had bogged down the Gawler sewerage scheme. On September 24 he wrote me as follows:—

In reply to your recent inquiry in the House in regard to the provision of a sewerage scheme for Gawler, this project was referred to the Public Works Standing Committee for inquiry and report on December 16, 1949, at an estimated cost of £238,000. The committee has not yet reported on this scheme, and until such time the Government is unable to take any further action.

In view of the reply given to Mr. Teusner some doubts arise in my mind. Apparently the costs of any scheme are submitted to the local council. That was evidently done in regard to the Gawler scheme in 1949. The estimated cost then was £238,000, but costs have risen greatly since. I am not reflecting on the Public Works Standing Committee, but the cost would be much higher now. Can the council and the people of Gawler afford to pay for a sewerage scheme? They want one, because the present provisions are unsatisfactory. Further, I know that industries have not been established in the town because deep drainage is not available.

Mr. Fletcher—That applies in many other towns, too.

Mr. JOHN CLARK—I am sure it does. The question of electricity extensions to country districts has been mentioned by several members this year, particularly by the member for

Light and myself. We have suggested that a subsidy scheme be evolved to avoid large surcharges for country extensions. We are working on an extension to an area that is partly in his district and partly in mine, and we realize from conversations with trust officers just what benefits could ensue from such a scheme, which has been submitted to the Treasurer, and we hope that something will be done. Many extensions are completely uneconomic to the trust, but the people who want them cannot be expected to meet the full cost. However, I am hopeful that something will be done, for there is a line on the Estimates of £20,000 which may be for electricity extensions to country districts. I know the Treasurer realizes the need for them, and I know how greatly country people will appreciate them, though I realize the difficulties involved.

If the portfolio of Education is allotted to the member most frequently tipped for the post most teachers will be happy with the appointment. I was glad to hear of the recent increased allowances for student teachers. In reply to my question the Treasurer seemed doubtful whether the increases would give any great impetus to the recruitment of teachers. Although the member for Flinders will not agree with me, I do not think the rises were sufficient to have the desired effect. The Treasurer said that this matter was reviewed at this time every year, and that the recent rise of £60 or £70 was simply in the normal course of events. Some members have been advocating rises and probably the Premier did not wish to allow them a little credit for them. Although the allowances are reviewed every year, since June, 1950, the student teachers have succeeded in getting only an additional £20 a year, so the recent rise was a big step in the right direction, and may help to obtain more teachers if a vigorous recruiting campaign is pursued. I have previously had much to say on education, and I do not wish to elaborate on this point too much. The Treasurer could not agree with my views previously, nor could I agree with some of his remarks on education. My previous suggestions on education were intended to be made without any political rancour. I may not have been successful in doing that, but they were intended as constructive criticism. In fact, before discussing my remarks the Treasurer said that the duty of the Opposition was to criticize and therefore I was only exercising my rights. He went on by adopting the same principle and criticized everything I said and

even much which I had not mentioned. Employing his customary technique he debated my suggestions from entirely different premises and consequently arrived at entirely different conclusions—those at which he wished to arrive. He quoted a mass of statistics and figures from the *Commonwealth Office of Education Bulletin* No. 17 of 1952, but he omitted to mention that the figures he quoted relating to the number of pupils to each teacher were based on the year ended December, 1950—more than 2½ years before—and therefore valueless for the purpose of discussion. He quoted those figures in an attempt to prove that in South Australian primary schools there was one teacher to every 31.2 pupils, but I am sure he would find it difficult to persuade many teachers who happened to be in charge of large classes that this ratio obtains today.

The Treasurer also omitted to mention in calculating the ratio on these figures, out of date though they were, that 368 of our 667 primary schools at that time had enrolments of between six and 32, which might easily account for the favourable pupil-teacher ratio of this State as compared with other States. However, all this was entirely irrelevant for I had not suggested that classes in our schools were larger than those in other States; indeed I did not know they were. He also insinuated that my remarks were inspired by press correspondence, whereas, as other members of my Party know, I prepared them long before the publication of that correspondence. He made a great show of being indignant at the suggestion that our teachers were not doing a good job, but I did not suggest that. Rather I stressed the fact that they were doing a remarkably good job under extreme difficulties. Nevertheless, I claimed—and I will claim at any time—that, unless some new approach was made to the recruitment of teachers, this high standard of our Education Department could not continue.

The Treasurer also quoted figures to show that teachers' salaries were quite adequate, but again this was a matter that I had not mentioned for I had been concentrating, for the good of the children in our schools, on the allowances paid to student teachers. Had I desired I could have said plenty with regard to teachers' salaries, but I did not say it. When speaking of student teachers, the Treasurer said no application had been made by the Institute of Teachers for increased allowances, and that, if that body had been so much concerned about the matter, it would have lodged an application long ago, but I venture to predict that his

Government will shortly receive—if it has not already done so—a request that the Salaries Board and not the Government should fix these allowances. The Treasurer's justification for the greatly increased numbers of semi-qualified teachers was that the schools must be kept open, and in that respect I most heartily agree with him, but I cannot agree that a system of teacher training that was instituted purely as a temporary expedient should be allowed to be perpetuated as a permanent feature of our educational system.

I know that enough money is not available for education, even though one member this evening has suggested that too much had been made available for it. To a great extent this insufficiency is due to the fact that what we get from the Commonwealth Government is not enough and that our rights are being flouted in this matter. The only answer seems to be the making of special grants by the Federal Government for education, but under the present so-called benevolent Federal Government which was praised so much by the member for Burra, I do not think we have a great chance of receiving help for anything like education. After all the theory about educating the masses too much may still linger. I make no apology for again speaking at some length on education, for after all in the welfare of our children lies the welfare of our State.

I could speak on many other subjects contained in the Budget. Much could be said about local government and railways and certainly an enormous amount about tramways, if anybody were qualified to say it. Much could be said about roads, water supplies and other services, but other members with much greater qualifications to speak on those subjects than I have will do them ample justice. There has been much of the parish pump in my remarks, but most districts have similar problems. One member interjected that when I was speaking on sewerage, and I entirely agree with him. I trust that the Treasurer's faith in the future of great State will be fulfilled. I believe it will be. Holding the opinions I do, I deplore the unhappy design in this State which prevents the Government from having a chance to show what it could do in the honourable position of Her Majesty's Opposition. If it has been such a good Government, and we have been told often enough that it has, surely it should be given the opportunity to become a sensational Opposition. I hope that it is given that chance at the first opportunity.

Mr. HUTCHENS (Hindmarsh)—Unlike some honourable members, I do not believe the £51,000,000 mentioned in the Budget is a colossal figure. If we analyse the position fairly, and make allowances for increased population, the £12,000,000 in the 1939 Budget compares favourably with the £51,000,000 in the present Budget. I agree with Mr. Pearson that if we want services we must find the necessary money. I join with the Treasurer in expressing confidence for the future. Like other States, South Australia has great possibilities. If we have confidence in the expenditure of money we can develop our natural resources. Much has been said about the need for returning taxing powers to the State, but I wonder whether it was said with the tongue in the cheek. Mr. Pearson said, and it is to the credit of our workers, that we have a higher output per man hour of any of the States. I have heard that said so often that I now believe it to be true. The South Australian worker appreciates that only by giving of his best can the State prosper. The *Commonwealth Year Book* shows that South Australia is more sparsely settled than any of the other States. In South Australia we have 1.75 persons to the square mile, Victoria has 23.97 and New South Wales 9.9.

I do not think the opportunities for taxing in the other States apply here. They have more raw materials and more land capable of high development. It is interesting to note that when South Australia had its taxing powers the taxpayer would have paid £89 9s. on an income of £600. During the early days of uniform taxation he paid £26, but now because of the inflationary trend he pays £51 13s. In this debate the Leader of the Opposition said that inflation had galloped since the abolition of certain controls. Australians love freedom and do not like controls, but the folly of abolishing some of those controls is evident. Since we abolished price control the basic wage has increased from £6 6s. to £11 8s. We will pay dearly in the future for the folly of 1949.

It is proposed to increase motor taxation. In this State we have three forms of transport—railways, road and shipping. Railway transport is necessary, yet there has been much criticism of the proposed grants to the railways. We will have a much greater expenditure if we allow the free use of our roads without collecting revenue to keep our roads in good repair. In a tram the other day I heard a number of people engaged in the interstate

transport business comparing the fees paid in the various States, and after hearing what they said I believe there is justification for increasing the fees paid in South Australia by the heavy lorries which travel to the other States. We cannot but observe the colossal damage they are doing to our roads, although paying about one-third of the fees that are charged in other States. In some places these services should be encouraged. I listened with interest to Mr. Pearson when he spoke of the roads in his districts, and was reminded of the time when I held a responsible position in industry and found that the wool producers were often penalized because of the lack of transport, particularly those on Eyre Peninsula. In one year about 180,000 sheep skins came from that locality to the mainland markets, and on frequent occasions the vessels were not fully unloaded because of lack of time and many of the skins had to be taken back to Port Lincoln. Consequently, I believe that road transport to Eyre Peninsula should be encouraged, not only to assist the people there, but to assist commerce in the metropolitan area. Although I have heard much criticism of the railways from both sides of the House we can at least be proud of our Overland Express and I want to pay a tribute to the engineers and the workmen at Islington who constructed the diesel engines and coaches that form this train, for it is equalled only by the new trains on the East-West line. Metropolitan members do not begrudge country people the taxation city residents are called upon to pay to keep the railways going for they know that if it were not for the railways the goods produced by the hard labour of country folk would not be brought into the city. To begrudge an expenditure of £5,000,000 to keep the railways running is very shortsighted and not in the best interests of the State.

Much concern has been expressed about the loss of £1,000,000 by the tramways in seven months. Having been a trust employee for a considerable period I know a little about the tramway system, and although I regret that this loss has been incurred we should make some allowance for a heavy expenditure during the period of rehabilitation. It would be an advantage if there were more co-ordination of all forms of transport, for I feel that there are places where buses, trams and trains are running parallel services; such places would be better served by the railways in conjunction with petrol or diesel bus feeder ser-

vices. This would enable more elasticity and an easy change of route when circumstances necessitated it, and would thus be more economical. Mr. Pearson said that private bus services paid whereas the public transport systems did not. However, I have proof that this is not always the case for only recently, with the town clerk of Woodville, I waited upon the general manager of the trust asking for a service between Findon and Henley Beach. We presented figures to show that in one area there were 207 homes occupied by 900 people who had no service whatever, and that there were a further 120 single unit and 66 double unit homes in course of construction which would be occupied by about 2,000 people. A private bus had served this area, but was obliged to discontinue the service because it was unprofitable. The Tramways Trust, claiming that it was uneconomical, was not prepared to provide even two buses in mornings and evenings.

Mr. Pearson said that there were so many who were asking for so much for so very little that they ought to be ashamed of themselves, but later I noticed that he said that he was going to get his fair share. He drew attention to the high prices for wool and barley and expressed the fear that they may drop, and with that he said we were paying too much for education. I have much sympathy for the man on the land. I have seen men who invested thousands of pounds in the land become almost insolvent, but for many years now the farming community has been fairly prosperous and I think the time is overdue when they should pay for the services they are receiving and not expect the metropolitan people to carry them while they are making big profits. I draw attention to the disproportionate contributions that the people in the metropolitan area have to make towards the continuance of country water supplies. The Auditor-General's report shows that the Adelaide water district made a profit of £149,869 in 1948, but for 1952 the surplus had been reduced to £60,851, whereas country water districts had a deficit of £811,867. We do not begrudge assisting the country, but the remarks of the member for Flinders show that primary producers in recent years have been on a satisfactory financial plane and able to accumulate funds. We should encourage people to go on the land, but there should be an examination of the water supply position so that there should be a more satisfactory return, and so that other services can be provided and existing services extended. I am

one who believes that the Budget is justified and have every confidence in the future. I believe the people of South Australia appreciate the possibilities and are prepared to face up to their responsibilities, whether they live in the metropolitan area or the country, and are prepared to lend their support to the development of the State.

Progress reported; Committee to sit again.

WARREN WATER SUPPLY.

The SPEAKER laid on the table the report of the Public Works Standing Committee on the Warren water supply, new trunk main, together with minutes of evidence.

Ordered that report be printed.

ADJOURNMENT.

At 9.43 p.m. the House adjourned until Wednesday, October 14, at 2 p.m.