

HOUSE OF ASSEMBLY.

Tuesday, October 26, 1954.

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

QUESTIONS.**RENTS OF GOVERNMENT HOUSES.**

Mr. O'HALLORAN—I have received a number of complaints relating to the recent increase in the rents of certain houses owned by the Government. Can the Premier say whether, prior to authorizing these increases, the Government received reports from the Public Service Board, the Housing Trust, or both those authorities, and, if so, will he lay those reports on the table?

The Hon. T. PLAYFORD—The Government received certain reports on the matter but, frankly, I should like to consider whether it is in the public interest that these reports should be tabled and become the property of the House. Some of them were marked "Confidential." If Government officers are to report frankly on topics submitted to them it is necessary that their reports should be regarded as privileged in certain instances. I will examine the question and see whether it is possible to comply with the Leader's request. I think that most of the information required by the Leader can be supplied to him, even if not precisely in the form of the reports.

Mr. RICHES—Can the Premier inform the House of the reference given to the officers who submitted the reports? Not only do school teachers in my district in particular feel that the fixation of rents has relation to capital values, or the ordinary rental values of the houses they occupy, but when they undertook to go to the country a rental concession was one of the most important factors in determining their attitude on the matter. There has always been a tendency for teachers to remain in the city and those who have done so are now much better off financially than those who went to serve in the country. Is the Premier prepared to make known to the House the terms of reference to the officers who compiled the report and can he say whether, as has been rumoured, there have already been more than 3,000 applications from teachers desiring to be transferred from the country districts?

The Hon. T. PLAYFORD—Some time ago Parliament considered this matter and passed an amendment—I think with the honourable member's consent—providing that the Housing Trust should be the authority to fix rentals

for homes occupied by public servants. That amendment was regarded as proper because it provided for an impartial authority to fix the rents of premises owned by the Government.

Mr. RICHES—I am not quarrelling about that.

The Hon. T. PLAYFORD—The public servants did quarrel about it because they pointed out that whereas Parliament provided that the Housing Trust should fix the rents of their premises, no such action was taken in relation to school teachers' residences and the Public Service Board reported that it considered it anomalous that the Housing Trust should fix the rents for some Government officers whilst others enjoying precisely the same type of conditions did not have their rents fixed. Apart from that, the Government found that it was continuously in difficulty because certain houses were subject to a higher rental than others when the accommodation was practically identical. Whenever a question of a transfer from one place to another arose, the Government experienced difficulty with the various departments, and having reviewed the matter in its entirety it asked the Housing Trust to fix rents so that they would be uniform throughout the service. It did not say that the Housing Trust rents should be fixed at any particular level, and in its report to the Government the trust has pointed out that these rents still provide a considerable concession compared with normal rental levels. The rents that have been fixed still result in a heavy loss to the taxpayer, particularly on houses now being purchased. The amount of rent has never been a matter that has been considered by the wage fixing tribunal because, in point of fact, only 20 per cent of Government officers live in Government houses. The remaining 80 per cent are living in houses which they themselves have provided or which they are renting under normal conditions outside their departments. I have heard nothing whatever about 3,000 applications for transfer to the metropolitan area.

SAW MILLS AND FACTORIES ACT.

Mr. FLETCHER—This morning I left at the Premier's office a report of an authoritative inquiry and the coroner's finding on a recent fatal accident at a Kalangadoo saw mill. The coroner suggested that all saw mills in that area be brought under the provisions of the Factories Act. Has the Premier had an opportunity to read that report, and does he intend to implement the coroner's suggestion?

The Hon. T. PLAYFORD—I thank the honourable member for bringing the report to my notice prior to asking his question. Although I have not yet had an opportunity of discussing the matter with the Minister of Industry, I doubt whether the Government has the legal power to gazette saw mills in the area. I think the authority given it in this matter is to make the Act apply generally. I do not think it can be applied to one undertaking. I will, however, have the matter examined in due course and see that appropriate action is taken.

MOTOR DRIVING TESTS.

Mr. JOHN CLARK—Last Saturday's *Mail* contained the following report under the heading "Driving Test a Growing Need":—

South Australia needed a compulsory driving test more urgently each year, Mr. Dudley Turner said today. Mr. Turner is the new Federal president of the Automobile Association of Australia. Mr. Turner said: "Every State now has a driving test except South Australia, which is the most highly motorized State per head of population in the Commonwealth. The increasing traffic on the roads demands skilled drivers. It's not sense and not fair to road users generally that people should be able to get a licence and then learn to drive."

Can the Premier say whether the Government has considered Mr. Turner's statement and whether it intends to introduce legislation making driving tests compulsory for all motorists?

The Hon. T. PLAYFORD—Although it is necessary in other States to undergo a driving test before being given a licence, the fact remains that the learners there are on the roads prior to their getting a licence as it is necessary for any person, before he can drive a motor car, to have some practical experience. Of all States South Australia has by far the lowest rate of road accidents per motor vehicle on the roads, and, although I do not say that complacently for the rate is still alarmingly high, that fact does indicate that South Australia has not been in a worse position merely because persons are not subjected to a check before being granted a licence. Further, up to the present the official figures show, not that the learners are the drivers responsible for accidents, but rather that most of the accidents are caused by persons who have been driving for a number of years and have become reckless and inattentive merely because they think that their experience makes them immune from accidents. Statistics do not support Mr. Turner's statement. I will have

the matter examined and advise the honourable member later whether there appears to be any necessity for a review of our legislation.

HORMONE SPRAYING OF VINES AND TREES.

Mr. WILLIAM JENKINS—Has the Minister of Agriculture a reply to my question of last week regarding the experimental spraying with hormones of vines damaged by frosts?

The Hon. A. W. CHRISTIAN—The Chief Horticulturist reports:—

It has not been possible to trace the radio news item referred to in the question raised by Mr. Jenkins on October 9, 1954, but I believe that the item in question probably referred to the use of hormone sprays to offset frost effects on stone fruit trees such as apricots, rather than on vines. A natural reaction of vines following frosting of shoots at this time of the year is to burst both secondary and adventitious dormant buds which would not normally have burst that season. Such secondary growth can give a partial crop, depending on the ability of varieties to carry blossom on the secondary growth. In the case of varieties which do not carry bunches on secondary growth, nothing would be gained by the application of hormone sprays. In respect of stone fruits, however, and in particular apricots, the position is rather different. Here the effect of frost during late September or early October is to kill the embryos within the seeds of developing fruits. As a result such fruits are shed from the tree. There is some evidence that the application of hormones to frosted apricots will enable the fruit to grow on to maturity without the stimulus of a viable seed.

Mr. TEUSNER—In part of my district, the Barossa Valley, orchards and vineyards are from time to time stricken by severe frosts, resulting in great losses to viticulturists and horticulturists. Has the department conducted any experiments in the hormone spraying of vineyards and orchards in the Barossa Valley following on the recent frosts and, if so, with what result?

The Hon. A. W. CHRISTIAN—Mr. Strickland, Chief Horticulturist, reports as follows:—

A trial was carried out in the Barossa following the frost of September 25, in which four types of hormone were sprayed on trees in an endeavour to enable frosted apricots to be carried through to maturity. Unfortunately, none of the four substances tested was effective in saving the frosted fruit. Since this trial was carried out an American report has come to hand stating that in one trial there treatment with a hormone identical with one of those used in the Barossa successfully prevented the shedding of frosted apricots. The success in this case may have been linked with a lower frost intensity or with the stage of growth at which the frost occurred. Until further work

is carried out if and when frost damages apricots in a future season, there is no possibility of making any recommendation on this possible means of offsetting frost losses.

WHEAT INDUSTRY STABILIZATION ACT AMENDMENT BILL.

Mr. STOTT—Can the Minister of Agriculture say why the debate on the Wheat Industry Stabilization Act Amendment Bill has been delayed, and can he give any information in respect to the matter?

The Hon. A. W. CHRISTIAN—I do not intend to proceed with the Bill for a day or two because the Commonwealth Government has recently introduced completely new legislation on the subject instead of amending its previous stabilization Act. Until I see that legislation I do not know to what extent we may have to conform to it in any amending Bill we have before us. I intend to wait until the Commonwealth measure comes to hand: I understand a copy is being sent here.

AMBULANCE SERVICES.

Mr. FRANK WALSH—Has the Premier received a further reply to the question I asked on October 13 regarding ambulance services being available to convey certain paraplegic and poliomyelitis cases to hospital?

The Hon. T. PLAYFORD—The Acting Commissioner of Police reports as follows:—

The St. John Ambulance Brigade has taken over the responsibility for transporting these cases to hospital for treatment, as from October 1, 1954. I am not aware of any instances since that date to indicate that such treatment is being interfered with through lack of transport. Patients are conveyed according to a weekly schedule of dates and times supplied by the Royal Adelaide Hospital. This matter was fully discussed with the St. John Ambulance Brigade in conference recently and an assurance was given that the work could be properly carried out with their available facilities. It is my view that the Brigade will give a service equally as efficient as the standard previously set by the Police Department, and I feel that they should be given a reasonable opportunity to demonstrate their capabilities in this regard.

ENFIELD HIGH SCHOOL FENCE.

Mr. JENNINGS—During the Address in Reply debate I raised the matter of what I claimed was an undue delay in the completion of the fence around the Enfield High School. Whenever a matter is raised by any honourable member the Minister of Works calls for a report and lets the member have it, and I commend him for this. It was done on this

occasion and he gave a reasonable explanation why the work had not been gone on with, together with a promise that it would be started in the next week. It was so started, but it was not continued. Following on this, I again wrote to the Minister and received a further reply, indicating that the work would be continued within a short period. However, I now have advice that only one side of the fence has been completed. There is no evidence when the rest of the work will be proceeded with, and in the meantime vandalism is being perpetrated in the school grounds to an almost alarming extent. Only a couple of days after parents had worked over the week-end setting up tennis courts they found that some of the steel posts around the courts had been broken. I have been informed that certain trotting and polo people are training horses on the school grounds and that the other day when the staff arrived at work it found loads of rubbish had been dumped there. Where the staff and the parents are working so well to establish a school on a proper basis the lack of a much-needed fence is likely to discourage them. Could the Minister give this matter his personal attention and find out why the work has not been proceeded with, and if possible, expedite it?

The Hon. M. McINTOSH—The Architect-in-Chief is not a constructing authority because he has no construction branch. We call for I think correctly, a contract was let to a tenders and let a contract to the person giving the best price. Speaking from memory, but responsible contractor. Why he has not gone on with the work I do not know, but following on the question I will certainly inquire the reason and bring down an answer.

LOVEDAY DOMESTIC WATER SUPPLY.

Mr. MACGILLIVRAY—This morning I received a letter from a resident of Loveday drawing attention to the inadequate domestic water supply in that town. The letter states:—

The position will be drastic if something is not done, especially if we have a hot, dry summer. If there is a fire there would be no hope of saving anything as the pressure in the system is useless.

I do not know whether the Minister of Irrigation has had this matter brought to his notice or whether anything is being done departmentally, but will be obtain a report on the position?

The Hon. C. S. HINCKS—Yes.

SOUTH-EAST DEEP SEA PORT.

Mr. CORCORAN—On September 21 I asked the Premier a question relating to the costs of investigation into Robe as a harbour site, including ground and sea plan models. Has the Premier that information?

The Hon. T. PLAYFORD—No. I did not realize that the honourable member still required that information but I will obtain it for him. The Government has recently received a request for a similar investigation as regards another South-Eastern site, but if it is to be delayed because of the cost, I point out that it is much better to investigate these matters and find out whether such proposals are possible than to hold off on the assumption that nothing can be done.

RIVERTON RENTAL HOMES.

Mr. QUIRKE—Last year I asked the Premier whether he would investigate the possibility of making rental homes available in the towns of Clare and Riverton. The Housing Trust has purchased land in Clare for that purpose, but at Riverton there is an urgent need for up to six houses, three of which would be occupied by employees of a local electrical industry which cannot proceed until housing is provided for the employees. That will be a valuable industry for Riverton and I have been approached by the district council and the employer concerned and have made representations to the Housing Trust but, as yet, have received no definite assurance from the trust as to what it proposes to do. The difficulty at Riverton is not the same as it was at Clare because the Housing Trust already owns sufficient land. Will the Premier investigate the circumstances with a view, if possible, to expediting the building of these houses so that that industry can proceed?

The Hon. T. PLAYFORD—Yes. I do not know the circumstances relating to Riverton but for some time I have been considering the question of rental homes for the country. The difficulty is that at present homes cannot be provided for a reasonable rental. Because of the scattered nature of the activity and the high cost of maintenance, the economic rent the Housing Trust must charge is much higher than for a similar house in the metropolitan area. I am trying to decide some method of providing a financial concession to the trust to enable it to undertake country housing programmes at more advantageous rentals than is at present possible. I will take up the Riverton question specifically with the trust.

WIDENING OF MAIN NORTH ROAD.

Mr. JOHN CLARK—Has the Minister representing the Minister of Roads noticed the reports of serious accidents that occurred on the Main North Road between Smithfield and Salisbury at the weekend? As I consider that these accidents would not have occurred if the road had been safer, is it likely that the long-delayed scheme to widen or duplicate this road will be carried out in the near future?

The Hon. M. McINTOSH—For many years I was Minister of Roads, or the equivalent, and I found that most accidents occurred on the broad highway and that the locality had little bearing from a point of view of danger, but the question of when it is intended to proceed with the broadening of the Main North Road is now outside my province and I will get a report on it.

WORKMEN'S COMPENSATION.

Mr. FLETCHER—Under the heading "Victorian Firms Face Huge Compensation Pay-out," an article in the Victorian newspaper *The Sun* states:—

Workers' compensation must be paid if an employee with a long-standing illness takes a turn for the worse in his working hours. This is the effect of a judgment of the Privy Council in London, on Monday after more than three years' litigation in the Victorian Workers' Compensation Court and Supreme Court. Many claims have been held in abeyance pending the decision. It is estimated that more than £300,000 in compensation will have to be paid in Victoria as a result of the ruling. The judgment upheld the award of £1,050 compensation to Mrs. Davie Ethel Sharpe, of St. Vincent Street, Albert Park, a widow. Her husband, a 51-year-old shipwright employed by James Patrick & Co. Limited, had a heart attack while travelling to work on December 4, 1950. He had been suffering from a heart disease for some years. He reached his place of employment, but did not work. He died as he was being taken back into his house. The judgment established the points:—

An unexpected change for the worse in a man's health is "injury by accident" within the meaning of the Workers' Compensation Act, provided it occurs between the time he leaves home for work and his return. The illness need have nothing to do with the worker's employment. The turn for the worse need not be brought on by any outward event, such as a fall, knock, vibration or other noise. The interpretation applies both to the Compensation Act, as recently amended, and to the old Act.

My attention was drawn to this article by a man in my own town who was injured on his way to work. Can the Premier say whether this finding will have any bearing on workmen's compensation in South Australia?

The Hon. T. PLAYFORD—As far as I know, it will not, because our legislation is not similar to the Victorian Act. I have not studied the judgment, nor have I had a report on it, so I cannot be definite on the matter, but I believe our legislation would not provide that that was an accident within the meaning of the Act.

RAIL CARS FOR MOUNT GAMBIER SERVICE.

Mr. CORCORAN—Has the Minister representing the Minister of Railways any further information to give the House in reply to the question I asked last Thursday about a rail-car service for the Mount Gambier line?

The Hon. M. McINTOSH—Through my colleague, the Minister of Railways, I have received the following report from the Railways Commissioner:—

One of the new type railcars for country passenger services has been completed. The second railcar is ready excepting for the transmission equipment, and it is anticipated that a further four railcars and two trailers will be completed early in the new year. However, in view of the trouble we are having with the Cotal gear-boxes, I cannot inform the Minister as to when we will be able to make these cars available for traffic. I am reporting to the Minister on this matter in other papers. As Mr. Corcoran was previously advised, *vide* the attached copy of memorandum dated August 25, consideration is being given to the replacement of the steam day train to Mount Gambier with a new railcar train when sufficient cars and trailers are available to operate this and other country passenger services.

I have a copy of the memorandum referred to, and I will give it to the honourable member if he wants further information.

PRICE CONTROL.

Mr. FRED WALSH—It was reported in Melbourne last week that the Prices Minister, Mr. Slater, had announced that certain household commodities would be decontrolled. He stated:—

This was in accordance with the policy of removing from price control those goods in which supply was plentiful, competition existed, and prices would not rise. Price exploitation would bring their immediate re-control.

This morning's *Advertiser* contained the following report under the heading "Tea Supplies Back to Normal Soon":—

The President of the Retail Storekeepers' Association (Mr. A. C. Samuels) said yesterday that of the 1s. 8d. rise, retailers and wholesalers had both received $\frac{3}{4}$ d. "To make up for their loss of profit on tea, grocers will have to lift the prices of other lines," he said.

In the event of Mr. Samuels' threat being put into effect will the Premier consider recontrolling the prices of groceries that have been de-controlled?

The Hon. T. PLAYFORD—Most of the important grocery items in South Australia are still under control, the decontrolled lines being those in which there is ample competition and of which adequate supplies exist. The Prices Department systematically examines the prices of controlled commodities and also examines price movements of decontrolled commodities. Indeed, once or twice, where found justified, price control has been reintroduced, and that would apply in any case where an unjustified price is found to be charged.

WORKMEN'S COMPENSATION COMMITTEE.

Mr. O'HALLORAN—Some time ago, on behalf of the Opposition, I submitted to the Premier a number of additional points that should be considered by the Workmen's Compensation Committee with a view to recommending to the Government an amendment of the Act. Can the Premier say whether the Committee has recently considered an amendment and whether the Government intends to introduce an amending Bill this session?

The Hon. T. PLAYFORD—The Leader's suggestions were conveyed to the chairman of the committee (Mr. Bean), and he has convened some meetings since then. Recently he reported that the committee was recommending certain alterations in the Act. I do not know what they are, but I have asked Mr. Bean to embody them in a Bill so that they might be considered by Cabinet. I have no doubt that, if Cabinet approves of its introduction, an amending Bill will be introduced.

PRICE OF TEA.

Mr. RICHES—Has the Premier received a reply from the Federal Government to the telegram he sent last week urging that an increased subsidy be paid on tea rather than that the State Prices Ministers should have to increase the price?

The Hon. T. PLAYFORD—The Prime Minister's reply was in the identical terms of that received by the Victorian Premier and published: the Commonwealth Government was not prepared to consider increasing the subsidy. It had provided an additional £1,000,000 by way of subsidy this year; it was at present subsidizing the price of tea by eighteen pence a pound; and it was not prepared to extend the subsidy beyond the limits already fixed.

BETTING MATTERS.

Mr. FLETCHER (on notice)—

1. What amount of revenue was collected from betting tax in Port Pirie for each of the years 1951-52, 1952-53, and 1953-54?

2. How many illegal bookmakers in South Australia have had their telephone services disconnected after being found guilty of a betting offence?

3. Under whose instructions are these services denied these persons?

4. Does the Government give support to these actions?

5. As prison sentences are being imposed on offenders against the State betting laws, is it the intention of the Government to have further inquiries made with a view to granting to other country towns the same betting facilities as those enjoyed by Port Pirie?

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

1. The revenue received from bets laid in the Port Pirie premises was as follows:—

	1951-52.	1952-53.	1953-54.
	£	£	£
Commission on bets .	10,359	10,356	12,554
Tax on winning bets	12,713	12,586	15,142

Total . . . £23,072 £22,942 £27,696

Out of these totals £5,000 (from the commission on bets) was distributed each year to proclaimed country racing clubs. The balance was paid to the Treasury.

2. 1951-52, 5; 1952-53, 8; 1953-54, 3.

3. Regulation 62 under the Post and Telegraph Act contains the authority for the discontinuance of a telephone service when, as a result of court action, it can be proved that the telephone service concerned was used in connection with an offence of the type listed in sub-regulation (3) of the regulation. It is the practice for the Police Department to bring such cases to the notice of the Postmaster-General's Department.

4. This matter is not within the jurisdiction of the State Government.

5. Enquiries have been made and show that figures for offences involving illegal betting during 1953-54 were—in the metropolitan area, 127; outside the metropolitan area, 49.

ELECTRICITY FOR COUNTRY GROUPS.

Mr. JOHN CLARK (on notice)—

1. Are country groups who are supplied with electricity by the Electricity Trust obliged to pay an increased surcharge for the following year, if they fall below their annual contracted amounts?

2. Where the electricity tariff reductions cause the value of the amount of electricity used to fall below the annual agreement price, although the same amount of electricity is used, does the trust adjust the agreement price?

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

1. If groups use less kilowatt hours of power than estimated when trust quote on surcharge was given, an increase is made in the second year.

2. The trust charges a percentage surcharge on the tariff. If the tariff is reduced with no increase in surcharge the amount payable by the consumer is reduced.

TRANSPORT CONCESSIONS FOR PENSIONERS.

Mr. LAWN (on notice)—

1. Is it the intention of the Government to consider granting pensioners transport on railways at half normal fares?

2. Is it the intention of the Government to approach the Municipal Tramways Trust with a similar request for half fares on trams and buses for pensioners?

The Hon. T. PLAYFORD—The financial position of the State does not enable these concessions to be considered.

DISMISSAL OF RAILWAY EMPLOYEES.

Mr. O'HALLORAN (on notice)—How many railways employees dismissed during the period 1950-51 to 1953-54 were given the benefit of the provisions of subsection (1) of section 44a of the South Australian Railways Commissioner's Act?

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

There have been no cases of dismissals of railway employees during the period 1950-1951 to 1953-1954 where the provisions of sub-section (1) of Section 44a of the South Australian Railways Commissioner's Act have been applied.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 1).

The Legislative Council intimated that it had agreed to the House of Assembly's amendments without amendment.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 2).

Received from the Legislative Council and read a first time.

INFLAMMABLE OILS ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

VERMIN ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

THE METROPOLITAN TRANSPORT ADVISORY COUNCIL BILL.

Read a third time and passed.

PRISONS ACT AMENDMENT BILL.

Read a third time and passed.

BUDGET DEBATE.

In Committee of Supply.

(Continued from October 21. Page 1120.)

Legislative Council, £8,465.

Mr. O'HALLORAN (Leader of the Opposition)—In discussing the financial position of the State, as disclosed by the Treasurer in his Budget speech, perhaps I had better mention first the matters with which I whole-

heartedly agree. Perhaps I should get the more agreeable remarks out of the way in the hope that the criticism I will make later will not provoke the Committee as much as if I made it first. I wholeheartedly agree with the Treasurer in his commendation of the Under-Treasurer and other officers of the department for once again producing budgetary papers that contain a wealth of information in a form easy for members to follow. In this respect we owe a debt of gratitude to them and I am sure I express the view of all members. Estimated revenue, as disclosed in the Budget speech, is £51,049,000, or £1,327,000 less than last year. I will examine the estimated and actual revenue for several years to show that the Treasurer has been considerably wide of the mark in his calculations, and it is possible that he may be as wide this year. I hope the revenue will be much more buoyant this year and prevent the estimated deficit. The figures would then follow the pattern of the last four years. The following table shows the estimated and actual revenue of the State from 1950-51 to 1953-54:—

Year.	Estimated. £	Actual. £	Difference. £
1950-51	32,798,000	33,672,000	874,000 more
1951-52	42,078,000	42,638,000	560,000 more
1952-53	49,089,000	49,101,000	12,000 more
1953-54	51,355,000	52,376,000	1,021,000 more
Totals	£175,320,000	£177,787,000	£2,467,000 more

In all cases actual revenue exceeded estimated revenue. The following table shows the

estimated and actual expenditure for the same years:—

Year.	Estimated. £	Actual. £	Difference. £
1950-51	32,808,000	33,155,000	347,000 more
1951-52	42,293,000	42,178,000	115,000 less
1952-53	49,077,000	47,901,000	1,176,000 less
1953-54	51,345,000	50,004,000	1,341,000 less
Totals	£175,523,000	£173,238,000	£2,285,000 less

When I use the term "actual" I mean actual expenditure on the budgetary items, excluding expenditure provided for in Supplementary Estimates. The Treasurer said that expenditure during the last financial year had not been

as estimated because of shortages of labour and materials preventing some works from being proceeded with. The budgetary position, estimated and actual, for the same years was:—

Year.	Estimated. £	Actual. £	Discrepancy. £
1950-51	10,000 (deficit)	517,000 (surplus)	527,000
1951-52	215,000 (deficit)	460,000 (surplus)	675,000
1952-53	12,000 (surplus)	1,201,000 (surplus)	1,189,000
1953-54	10,000 (surplus)	2,372,000 (surplus)	2,362,000
Total result	£203,000 (deficit)	£4,550,000 (surplus)	

The column "Actual" relates to what the result would have been if Supplementary Estimates had not been introduced. The introduction of Supplementary Estimates did reduce the actual surpluses to which I have referred. My figures relate to a comparison of the Budget estimates and the actual results based on the Budget figures. The estimated deficit for 1951-52—£215,000—differs from the £15,000 surplus estimated by the Treasurer in October, 1951, but the Treasurer's estimate assumed that an amount of £230,000 surplus for the previous year would be absorbed in revenue for 1951-52. If this amount was not, in fact, absorbed, the Treasurer's budgetary estimates should have been for a deficit of £215,000 instead of a surplus of £15,000.

I notice from this year's figures that the Treasurer budgets for a deficit and he proposes to extinguish that deficit by using a substantial portion of the accumulated surplus of previous years. I hope that, as on former occasions, his figures will be so wide of the mark that we will be able to balance the budget without having to use the surplus of previous years, because I feel that those surpluses, despite the Premier's reference to the agreement between himself and the Grants Commission, should be held in trust until a Budget deficit is disclosed, when it could be used to liquidate that deficit. In other words, they should not be taken into consideration at the beginning of a financial year but after the results of the financial year have disclosed a deficit.

I want now to call attention to a practice that has grown up in recent years, as a result of the discrepancies in the figures I have just quoted, of calling Parliament together just prior to the end of the financial year and passing Supplementary Estimates. Totals of recent Supplementary Estimates have been:—

Year.	Amount. £
1950-51	287,000
1951-52	371,000
1952-53	1,176,000
1953-54	562,000
Total	2,396,000

I suggest that this is not a good practice. We have had the spectacle, on the occasion of the last two sets of Supplementary Estimates, of money being made available under circumstances which made it extremely difficult for the bodies responsible for its expenditure to spend it within the period provided. If more care and attention were devoted by the Treas-

urer to the Estimates of Expenditure we might be able to avoid the practice I have referred to.

The Premier's speech provided information relating to taxation. One type of taxation which is exercising the minds of many people, particularly the sporting public, is what has become known as the winning bets tax. It may be wise to briefly examine the history of this taxation for although it is comparatively recent history some members may have forgotten it and some were not members when this taxation was first adopted. In 1949 the Grants Commission drew the Government's attention to the fact that South Australia, as a claimant State, was down £98,000 in the revenue it secured from racing as compared with the revenue secured from that source by the contributing States. The Premier hastened to correct that anomaly to avoid South Australia's being penalized by the Grants Commission through not raising sufficient revenue from this source. However, he was not content to raise the amount which would have satisfied the Commission and thus avoided the possibility of South Australia being penalized in the future as it had been for the two years prior to 1949. He introduced legislation providing for the winning bets tax from which it was estimated, at that time, that the revenue to be derived in 1950-51 would be £394,000. Members will realize that the Premier set out to secure a great deal more than was necessary in order to satisfy the test imposed by the Grants Commission. If members will study the Budget papers for this year they will see that the revenue derived from racing last year—and practically all of it is from winnings tax—was £566,000 and was, as admitted by the Premier, £76,000 in excess of the estimate he made in introducing the Budget last year. He said that it was anticipated that the return from this source would again increase this year. In order to ascertain what the present position was in relation to the Grants Commission, I examined its most recent report and found that South Australia has a favourable adjustment of £213,000 as a result of the amount of revenue which has been collected from this form of taxation.

Many people, particularly the sporting public, are concerned about the injustice of applying this taxation to the punter's own stake. I pointed out that injustice when the original measure was before the House in 1950 and sought, by amendment, to provide that the tax should apply to winnings as such and not to the return the punter received from the

bookmaker which, in the case of a horse backed at short odds or odds on, represented substantially a return of his own investment. I suggested that it was unfair to tax the punter on his stake and I suggest it is unfair to do so now. The figures I have quoted prove abundantly that the Government could relinquish this taxation to the extent of remitting the tax on the punter's own stake. I hope that before this Session closes, an opportunity will be taken of rectifying this injustice, otherwise sooner or later it must have a reaction. Frankly, I expected a reaction from the sporting public before this, because money taken by taxation from the pool owned by the sporting public is removed from that pool for ever. Bookmakers have their winning and losing days; the punter has his winning and losing days, and probably many more losing days than winning days, but in any event, what remains under the control of the bookmakers or punters can still be considered to be part of the pool and will change hands from time to time. It will still be available to help and encourage those who follow the racing game with their modest investments, either on the totalizator or with bookmakers. However, amounts taken in taxation are gone forever, and at the present rate of taxation, unless the punter can supplement his income from some other source, it will not be long before the whole pool has been absorbed in taxation. Then the law of diminishing returns will operate which will affect not only Government revenues but the position of racing generally, particularly of racing clubs. A percentage of the winning bets taxation is used to assist racing clubs to provide stakes commensurate with the importance of the races they arrange. This benefits racing, but if the amount available from this source diminishes, as I fear it will if we continue the present high rate of taxation, racing clubs will not be able to participate in the winning bets taxation at all because they are required to progressively increase their stakes in order to participate in the distribution of this taxation. The Treasurer referred to the great prosperity that South Australia enjoys now and to the wonderful development that has taken place in recent years. He said that this great development had taken place in the last 16 years or so. I would not suggest that he was trying to take the credit for this for himself and his Government, which has been in office for precisely that time.

The Hon. T. Playford—It was a coincidence.

Mr. O'HALLORAN—I will be charitable and say that it was a mere co-incidence, that

16 was the first figure he thought of and he put it in his Budget Speech. However, in the first half of that 16 years Australia was at war and the great industrial expansion that took place in this State was not due to any action of his Government, but entirely to actions of the Federal Government. South Australia was considered to be the safest State in Australia in which to establish great munition works, and a Labor Government directed the establishment of those industries in accordance with Labor's policy of decentralization. Of course, a Commonwealth Government cannot decentralize industry within States, but it can decentralize it as between States, and that is what took place. After the war the Commonwealth Government provided excellent terms to South Australia and to those who were prepared to take over munition works for secondary industries. Therefore, not even the most rabid supporter of the Treasurer, not even the member for Flinders, could say that that industrial expansion was due to any action of the Treasurer. We have had tremendous economic development during the last eight years, but that has been due to conditions over which, thank God, the Government has no control. We have had the best seasonal years in the history of white settlement in this State. Further, we have had the highest prices ever realized for the great bulk of our primary production. In 1940-41 our production of wool was 106,647,000lb., which was worth £5,266,000. In 1952-53 production was 158,658,000lb., worth £48,579,000, which was nine times the value of the 1940-41 clip. Wheat production in 1941-42 was 30,511,112bush., worth £6,957,000. In 1952-53 it was 33,918,689bush., worth £28,651,000. Dairy products were worth £3,040,000 in 1940-41, compared with £17,764,000 in 1952-53. The average market prices at the abattoirs for prime fat sheep in 1940 were 17s. 6d. for wethers, 13s. 3d. for ewes, and 16s. 3d. for lambs. In 1953 they were 70s. 3d., 61s., and 78s. 3d. respectively. Of course, the impact of greater production and phenomenal prices for our primary products on the prosperity of South Australia is hard to estimate, but I shudder to think what the position would be if there were a substantial recession in prices coupled with lean seasons.

The Treasurer proposes to reduce taxation on only one item, namely, succession duties. Two years ago they were steeply increased, and I think even the Treasurer was surprised at the increased revenue derived from that

source. I know he said this was the result of a phenomenally large number of estates of over £10,000 becoming ratable, but that was a corollary to general prosperity following on high prices and good seasons. This tendency will probably continue for another year or two, or at least until we run into that other period of lean seasons which I hope we shall not have when I am Treasurer. According to the Treasurer's Budget speech, the amount derived from succession duties will be £168,000 less this year. He enumerated certain concessions to be granted to widows and children but he cunningly did not say to what extent these concessions will reduce succession duties collections. He lets the world believe that the whole of the reduction of £168,000 will be due to concessions when in fact only a small portion will be due to them and the bulk of it to the other factor which may or may not be realized. There may be as many estates over £10,000 this year as there were last year. Will this proposed graduation in the suggested concessions be continued through the whole gamut of succession duties or will it only apply, as suggested, to the smaller estates?

In dealing with costs the Treasurer referred to railway finances, saying there had been a reduction in operating costs; but unfortunately, he did not say how it had been achieved. He mentioned the Mannum-Adelaide pipeline, but this project has not become either a revenue earner or a burden on the Budget for it is still being constructed. When it has been completed and must be financed through the Budget, however, I suggest that difficulty may be found in meeting its cost. I was a member of the Public Works Committee when this project was investigated, and it was found that only the pumping costs would be met from the proceeds of the sale of water in the metropolitan area, whereas the capital cost of the pipeline would also need to be financed. Since then the capital cost has more than doubled and pumping costs have probably increased correspondingly. In recent years we have complacently allowed the State debt to increase by leaps and bounds until today it stands at £214,000,000 and interest and sinking fund at £9,507,000 or more than one-sixth of the total Budget expenditure. While good seasons and high prices continue we can find this amount, but with the coming of the inevitable recession—and it need not be serious—we will have extreme difficulty in finding it.

Mr. Brookman—What do you propose to do about that?

Mr. O'HALLORAN—I will say something about that problem later in this speech. The Treasurer referred to stability of prices, but only yesterday the price of tea rose 1s. 8d. a lb.—and that is not the only price that has risen steeply in recent months. As the result of rises in the prices of many household items, grave injustices are being inflicted on the workers whose wages are pegged, with the support of this Government, by the Federal Arbitration Court.

The Hon. Sir George Jenkins—Was not the higher price of tea occasioned by a higher standard of living in Asian countries?

Mr. O'HALLORAN—That is one of the reasons stated.

The Hon. Sir George Jenkins—And a very good reason too.

Mr. O'HALLORAN—If that is the only reason I applaud it, because by raising the standard of living of Asians we will do two things—assist in developing a potential market for many of Australia's primary and secondary products and retard the danger of Communism in Asia. However, when in Ceylon last year I learned that a substantial part of the increased price of tea was occasioned by the imposition of an export tax that was one of the chief means of revenue on which the Government existed. I wonder whether the recent increases have been due, as stated, solely to a higher standard of living for the workers. From my observations in Ceylon much room exists for improving the living standards of those who harvest and process tea for export. If the Government of the day reduced the export tax and granted the benefit of an improved standard of living to the workers the higher price would greatly benefit that nation.

Mr. Geoffrey Clarke—Wouldn't that tax be raised to provide social services and so raise the standard of living there?

Mr. O'HALLORAN—When he speaks the honourable member may be able to give the Committee some information on the social services of Ceylon, but I do not know what social services, if any, those people enjoy. From my casual observation, however, I doubt that they have any extensive social services system. I know the people of Ceylon are faced with developmental difficulties, for Ceylon is a newly-created self-governing unit of the British Commonwealth and the Government is experiencing difficulty regarding the assets it took over on the inauguration of self-government.

The Hon. T. Playford—They are trying to feed 8,000,000 people in a country about as big as Tasmania.

Mr. O'HALLORAN—Yes, and that is difficult. Another means of checking our prosperity is to examine the trend in our imports and exports. The Government Statist (Mr. Bowden) supplied me with the following figures showing our overseas imports for the two months ended August 31, 1953, and August 31, 1954:—

	August 31, 1953.	August 31, 1954.
	£	£
Bags, sacks, etc. . .	358,962	1,309,445
Iron and steel . . .	170,016	884,318
Timber	236,709	404,440

The total value of all imports for the relevant two months in 1953 was £8,070,333 and in 1954 it was £12,047,410—a steep increase. In the same period in 1953 a quantity of 5,764,566 bushels of wheat was exported, and in 1954 a quantity of 1,989,680 bushels. The value of the wheat exported was £5,724,025 in 1953 and £1,419,340 in 1954. A quantity of 10,176,357 lb. of greasy wool was exported in 1953, and 7,182,104 lb. in 1954. The value of wool in 1953 was £3,497,343 and in 1954 it was £2,419,344. The general overall result was that in 1953 we exported goods to the value of £21,245,066, whereas in 1954 the value fell to £13,709,011. I think that shows that the position is not quite as good as the Treasurer asserted. He also said that South Australia was now gaining population, whereas in other years it was losing people to other States. That is admitted. South Australia's population has grown remarkably in the seven years since the last census was taken in 1947, but unfortunately the bulk of that great increase has settled in the metropolitan area, and that is a point I propose to deal with in reply to Mr. Brookman. I believe that we are getting off balance in production, and very much off balance in regard to population; the ratio of population between country districts and the metropolitan area is not being maintained, whereas it should be increased; we should strive to have at least half our people in the country instead of more than 60 per cent in the metropolitan area and less than 39 per cent in the country. The fact that the metropolitan population has grown by 100,000 is nothing to be pleased about. On the contrary, it is something that should be examined carefully to see what steps can be taken to rectify the position. Those difficulties to which I referred earlier which will complicate the budgetary position in years to come and make

it more and more difficult to balance accounts are due, in the main, to the tremendous expenditure of loan money which we have had to incur in order to provide water, sewers, schools and other amenities for the terrific increase in our metropolitan population.

On the other hand, the number of people on the land is not increasing. Certainly the population of a few country towns with special advantages has increased, but that only accentuates the disparity of population between those living the rural life and those living the city or urban life, and I hope, Mr. Chairman, that in the next Budget we will see some practical proposals from the Treasurer to correct this evil, for evil it is. If it is not corrected the time will come when it will have an impact, not only on Government finance, but on employment. I am not unmindful of the efficiency of our secondary industries and the fact that we are producing certain types of goods cheaper than they can be produced overseas. I believe that we can build up an export trade in many manufactured commodities, but the history of manufacturing for export in any country shows that there must always be a considerable local market which can absorb most of the production costs, and on which it is possible to sell sufficient to keep the factories going. Then, if there is a surplus it is possible to export it and sell it wherever a market can be found. That is the history of manufacturing development the world over, and the fewer we have in the country engaged in primary production the smaller will be our local market. Thus it will be difficult to create those circumstances which are so essential for the continued prosperous existence of our secondary industries and the building up of an export trade. It goes further, for it affects the whole question of how the world is going to be fed and how we—a mere 9,000,000 of us—are going to hold this country and play our part in producing food to assist to feed the hungry people of the world. Nothing in this Budget offers a solution of any of these problems, and in that respect I am keenly disappointed with it. It is not much use to say that our production per head is higher than in any of the other States. We have to do more; we must see to it that, not only is it higher, but that it is on balanced lines. We must expand our primary industries to keep pace with secondary production.

I have already referred rather extensively to the question of financial developments and I may say in passing that we have a number of grand projects which, like this Budget, nearly

establish a record. When we think that only a few years ago we addressed ourselves to Budgets providing for an expenditure of a mere £10,000,000, which we did not find it easy to get, and now talk about £50,000,000, we can see how times have changed. I desire to refer particularly to the proposed assistance to the Tramways Trust. In 1952 we passed legislation changing the constitution of the Municipal Tramways Trust, and we were then told by the Premier that a reliable estimate of the amount which Parliament would have to provide out of revenue so that the new trust could put our metropolitan transport system on a payable basis would be £1,180,000, spread over five years. What is the position today, Sir? In the last two years we have found £700,000 each year, or in all £220,000 more than the total fund mentioned by the Treasurer in 1952, and we are to provide another £600,000 this year, which will make a total of £2,000,000 in three years, or £820,000 more than the amount which was supposed to be sufficient to put the metropolitan transport system on a paying basis. The Treasurer asks us to vote this further large sum without any explanation, without any suggestion of what the future holds in store. Nobody knows what the trust intends to do. Occasionally we see reports in the press to the effect that the trust proposes to do something, but later we find that that is not the case. Not long ago the trust discontinued running the trams on a certain important suburban route and substituted buses. Now we learn that the trams are to be reintroduced, and we who have to find these large sums of money have not a clue as to what the future holds. It is about time that the Government insisted on the Tramways Trust's producing a plan and telling us what it will cost, so that we can examine it and once and for all put this undertaking on a proper basis.

I agree with the Treasurer's remarks relating to the unsatisfactory position between the Commonwealth and the State as regards income tax and financial responsibility, but I do not agree that the abolition of uniform taxation is the solution of the problem. I agree with him when he said:—

The State Government has borne the main brunt of the developmental expenditure which has been necessary to make possible the expansion and prosperity of the State, and it has had to bear the considerable burden of interest and losses on developmental works. Whilst interest and losses were far more than balanced by income tax paid to the Commonwealth Treasury the State Treasury does not receive any direct compensating benefit.

There should be a new approach to this subject. The Treasurer also said:—

Some few years ago, at the request of the of the Commonwealth Grants Commission, I agreed that while the State was assessed for grant on a balanced budget basis, any surpluses which might accrue to consolidated revenue account would be available from year to year to meet deficits when such should occur.

One would have thought that the surplus accumulated over the last four years would be retained and applied when a deficit occurred in the ordinary sense of the word; but the Premier now proposes to use that amount to finance a budgeted deficit. The basis on which grants are authorized by the Grants Commission must be very much against the political principles of a Government which holds itself out as anti-unificationist and the Premier has frequently complained about the system, linked, as it is, with the State-destroying system of uniform taxation. There was a time when the Premier made his chief budgetary cry the complaint that uniform taxation was preventing the State from really going ahead. It would appear, however, that the State, at least in the opinion of the Grants Commission, is doing nicely and for the time being, at any rate, does not need more than £2,250,000 to balance its Budget. This amount is about £3,800,000 less than the commission recommended last year. Perhaps the time has come for a general review of the definition of "claimant State." In view of the great progress we have made we may have emerged from the old classification and are ready to range ourselves on the side of New South Wales, Victoria and Queensland. The grants authorized by the Commonwealth Grants Commission are in the nature of a safety valve, making up for deficiencies that might arise from an inadequate reimbursement of income tax. The commission has to repeat its investigations every year, and it is generally at least a year behind in some of its calculations. However, it has been in operation for many years now and should have built up a considerable quantity of information and acquired a considerable amount of wisdom regarding State and Commonwealth finances. This store of knowledge could be used as a basis for determining a better method of distributing the proceeds of income tax between the States. The two now separate functions could be combined and a far greater degree of stability and certainty could be achieved. The distribution of the proceeds of petrol tax could be brought under the same heading. That is something to be considered. The commission might be asked to

suggest a new formula under which tax reimbursements could be based on a more just scale, having regard to developmental expenditure which undoubtedly imposes a burden on the State's budget. Expenditure on wages and on the purchase of material for public works increases the income tax paid to the Commonwealth Treasury. We should consider this matter rather than a return to collecting our own income tax.

There is one item in the Treasurer's speech that I cannot properly understand. He said that the amount to be spent on social amelioration would be £622,000, a decrease of £165,000, and then continued:—

Last year's expenditure under this category included £203,000 being the grants made towards provision of additional accommodation in homes for aged persons. The Government's offer to subsidize capital additions last financial year was accepted eagerly by the religious and other bodies which have accepted the responsibility of caring for the aged, with the result that practically every denominational home of any size participated in the scheme. These people are fully committed at present in meeting their financial responsibilities on approved schemes, and it is not likely that they will be able to embark on further schemes this year. There are some smaller homes, whose schemes were not fully formulated last year, which may be in a position to go ahead this year. If this is the case the Government will consider representations from these people. The State scheme for this purpose will not be affected by the announcement that the Commonwealth will sponsor a similar scheme.

In the time at my disposal I have not been able to find any amount in the budgetary papers corresponding to the £622,000. There are odd amounts totalling about £250,000 in relation to grants for homes, plus recurring amounts. I assume the £165,000 represents grants already made to institutions.

The Hon. T. Playford—You would have difficulty in finding the £622,000 in the budgetary papers. It represents a number of grouped items. I will get the individual items for you.

Mr. O'HALLORAN—I could not find any combination of items to make up the £622,000, so I could not understand the decrease of £165,000. The Treasurer said that most of the institutions in a position to accept grants had them and got on with their work, and that there would be money available this year for those who have not yet had grants.

The Hon. T. Playford—Last year, in addition to payments actually made, we accepted contracts for work to be done this year.

Mr. O'HALLORAN—I understand that. At the time I commended the Government for making the money available and I commend

the institutions that have benefited from the expenditure for the excellent work they are doing in caring for aged folk. I hope we are not to abandon this type of social expenditure for a while. There are some smaller homes which may require assistance, and when they are ready to accept it I hope they will get it. In country districts there are many old folk who would like to spend the last years of their lives in the areas where they have lived all their years. There are not enough of these people to warrant homes being established for the purpose but we have over 50 country subsidized hospitals and at them it should be possible to form the nucleus of accommodation for aged folk. Looking at the position generally, the same domestic staff needed to run a hospital could be used to get the meals and provide attention for aged people. Qualified nurses would not be required. Semi-qualified nurses, or just persons with common sense, could be used. It should be possible to provide a small group of beds in a hospital annexe, provided with Government assistance, where these old folk could be sheltered during the last years of their lives in the areas where they have always lived. I hope the Government will consider the proposal to see if a practical scheme can be evolved.

Usually the Opposition does not suggest means whereby the Government can obtain more taxation, but the matter of land tax could be considered. According to appendix 8, land tax collected in 1952-53 amounted to £574,000, and in 1953-54 to £568,000. The amount estimated to be collected this year is £570,000. In recent years there has been an enormous increase in land values and a reassessment is justified. I do not suggest an increase in the rate because I believe that at present it is fair and reasonable. The present assessment has no relation to real values. I do not suggest that the assessment should be raised to anything like market values because at present they are fictitious. A reassessment may return only a small additional amount of revenue but it would establish a more just contribution from the people who own land and benefit from the many public works that are non-paying, railway subsidies and other forms of budgetary expenditure. As I pointed out when debating another matter, I am concerned about the reaggregation of productive land. On Kangaroo Island and in the South-East we have developed at great expense land that was formerly undeveloped, but if a farm in the mid-north in the older settled areas

comes on the market only an adjacent landholder with an already ample living area can afford to pay the fictitious price asked for it. This means that young men who have saved a considerable sum of money have lost the opportunity to go on the land and are destined to become and remain workers in industry, or pioneer the development of under-developed land. That is wrong. It dovetails in with what I have been saying this afternoon. If we are to maintain our present economically secure position—and it is not as secure as it looks—it can only be done by getting more families on the land and in country towns.

Mr. GEOFFREY CLARKE (Burnside)—Before making some observations on the Budget itself, there were two points made by the Leader of the Opposition about which I should like to say something. Firstly, he referred to the impact of the winning bets tax on winning bettors. I do not propose to go into the pros and cons of this tax, but it is interesting to see what a colossal sum can be found by punters in this State when they manage to secure £29,694,000 to invest in betting.

Mr. O'Halloran—Surely the honourable member does not think they have that much money?

Mr. GEOFFREY CLARKE—I do not suggest that is new money. It represented money invested several times over. But what does that £29,694,000 represent by comparison? It almost equals the total value of the railway permanent-way, works, buildings, machinery and plant, which totals about £30,000,000. It also represents 70 per cent of the total funds invested in the Electricity Trust of South Australia—£44,000,000; more than the total of the assets of the Housing Trust—£28,000,000; and it could buy out the State Bank twice over. That gives some idea of the extent of betting in this State. When one sees these colossal figures it does not look as if bettors have been greatly deterred by the impact of the winning bets tax. The Leader of the Opposition also said that while good seasons last we shall be able to find the money for such a Budget as this and that even if we had a moderate recession we would not be able to find the money and would be in difficulty. I completely agree. What I am glad to see is that the Leader of the Opposition has at last been converted to orthodox finance and his certainty, which I share, that money cannot come out of a hat, but must be produced entirely from production in an atmosphere of

economic prosperity. I agree that our prosperity rests on production, which in turn to a large extent rests on favourable seasons. I am pleased to hear Mr. O'Halloran say these things. It is a link with the necessary corollary that we must have increased production if we must have an increase of expenditure.

After a study of several successive Budgets it seems to me that there has been a significant change in budgetary methods over the last 10 years. Up to that time Budgets were cast on the principle that each year the accounts could be ruled off and placed as it were in a watertight compartment; but the view has now developed and become established with the full approval of the Grants Commission that public accounts are a continuing entity—that they cannot be parcelled off and tied up with red tape at the end of a fiscal year. Whereas previous to about the middle 40's the Budget was a cash account of the year, it is now more nearly analagous to the profit and loss appropriation account of a business. Losses (deficits) which were, prior to 1942 or 1943, funded are now carried forward. Surpluses which were in the past used to reduce or make good revenue deficits are now brought into account for the benefit of ensuing years. This is in accordance with principles laid down by the Grants Commission and adopted by all the claimant States. This practice arises out of the view of the commission that deficits properly incurred in operating expenses of a Government are in a subsequent year made good by the commission, and it is consequently logical that surpluses should be applied to a subsequent year for the benefit of consolidated revenue, and taken into account by the commission. The net result of this over a period of years is that we have a balanced Budget. We cannot do better than an exactly balanced Budget. As the Treasurer said:—

My one serious complaint in this connection, and it is not a complaint against the Commonwealth Grants Commission or its methods, is that the State finances seemed to be precluded from additional benefit arising out of the greatly improved state of our economy. We can be assured of a balanced budget so long as we budget for both revenues and expenditures upon a basis reasonably comparable with other States. But we are not permitted a better result. If, for any reason, we should become entitled to increased tax reimbursement payments, the grant recommended by the Grants Commission correspondingly reduces.

That is an application of the principle applied by the commission, that to the extent to which a State is able to assist itself, either by its

own taxation or by the grants from the uniform tax pool in excess of the previous year, then the commission makes an adverse adjustment consequently. The State, though it can reckon on a balanced Budget, cannot, so long as it remains a claimant State, do better. New South Wales, Victoria and Queensland, not being claimant States, in fact do better and then are able to secure budget surpluses and appropriate them for such desirable purposes as the building up of reserves, wiping out of old losses and reducing debts.

The continuance of the income tax arrangement is in the hands of the Commonwealth, which has created this position. If the State had its own taxation powers, it could greatly benefit by the increased taxable capacity which has been brought about by its tremendous economic and industrial expansion and by increased population, which is not to any significant extent taken into account in the formula by which the States are reimbursed from the uniform tax pool. The South Australian Government has borne the main brunt of the developmental expense which has been necessary to make possible this expansion of prosperity. It has to bear a very considerable burden of interest and losses on developmental works, and should have the right to benefits which arise from these works and from the increased taxable capacity which has been brought about by those things. In other words, when the non-claimant States were incurring deficits we were held back to their standards, and now that the non-claimant States are in surplus we are not permitted to come up to their levels. This, as the Treasurer says, is not a criticism of the Grants Commission, but a very real criticism of uniform taxation and the tightness with which our financial affairs are tied to the tax policies of any Commonwealth Government under uniform tax.

While it is true that in the long run we can never have a deficit, we cannot do better than a strict balance. It is inevitable then that although we have the taxable capacity to raise our standards above those of the non-claimant States, we cannot tap that capacity, and we cannot go up to the level of the non-claimant States in the development of our social services. Therefore, any criticism of lack of comparable services in this State with other States must be levelled at the fiscal system rather than at the Government which does so well with the resources at its disposal. It must be remembered too that while any suggestion that not enough money is spent here or there may be

quite proper in principle, nothing can be done about it under the present Commonwealth-State financial relationships, which, incidentally, are more generous to the States than they were when the so-called principles of uniform taxation were first laid down.

Mr. Lawn—Who wrote that speech?

Mr. GEOFFREY CLARKE—I have heard queries like that before from the honourable member, and I should like to deny categorically that any person has ever written a speech for me or ever typed a single word of my speeches. I have typed them myself and this speech was typed this afternoon in the Parliamentary Library. I do not want any more interjections like that from the honourable member. If I needed advice from an expert, which obviously the honourable member never does, I would go to someone outside the Chamber to get it. I prepare and type my own speeches. I hope that will satisfy the honourable member. I will not have a repetition of that type of interjection which the honourable member has made on more than one occasion.

Mr. Lawn—Is it permissible for an honourable member to read his speech?

Mr. GEOFFREY CLARKE—I am not reading the speech, but doing as the Leader of the Opposition did—reading from copious notes—and if the Leader of the Opposition may read from copious notes, obviously not typed by himself, surely I can read from notes typed by myself.

The CHAIRMAN—Order! I will see that the honourable member does not violate Standing Orders.

Mr. GEOFFREY CLARKE—I will continue with my own speech using as is customary in this House, copious notes.

The Hon. A. W. Christian—If we reverted to our own taxing powers would we then no longer be a claimant State?

Mr. GEOFFREY CLARKE—I have heard the Premier say—and I accept it as true—that if we had our own taxing powers on levels of taxation comparable with those of 1939, we could be in surplus and would not be a claimant State. When assessing the grants to the States the Commission examines the accounts of the non-claimant States as well as the claimant States. It attempts to arrive at a standard budget for comparative purposes and seeks to find the reasons for the differences among the States in levels of expenditure on various items. The Tasmanian submissions to the Commission classify the reasons into two groups—natural factors and standards of service. The South Australian submissions introduce a third reason

—differences in reliance on local effort. The Commission itself suggests that there are differences in accounting practices. The Commission decided in the case of this State, when arriving at its last grant, that it would be reasonable to make an allowance of five per cent for special difficulties in South Australia in providing social services as compared with 11 per cent for Western Australia and nine per cent for Tasmania. The Budget corrections and adjustments made by the Commission are all for the purpose of arriving at what the Budget result would have been if consistent financial and accounting methods and similar standards of expenditure and of other charges and taxation had applied to all the States. I emphasize this to show that the whole trend of the present financial arrangements between the Commonwealth and States tends to hold us back rather than allow us to use the great advantage of our tremendously increased taxable capacity since the introduction of uniform taxation. All enlightened students of public affairs see most clearly the restraining impact of uniform taxation. It is very clearly understood by the present Federal Government and it is understood even more clearly from practical experience in South Australia. It is purposeless, then, to say in a debate of this nature that more should have been spent in one direction unless at the same time one accepts the invidious task of saying what line should be cut to make the new proposal possible.

One of the encouraging features of the Budget is the improvement in the net burden on the Budget of the railways. In 1951-52 the net cost to the taxpayer was £5,281,000; in 1952-53 the position had improved and the net cost was £4,879,000 and in 1953-54 it was £3,524,000. This year £800,000 less is being contributed by the Treasury to the railways towards net increase in working costs not covered by increases in freights and fares. I hope that the Metropolitan Transport Advisory Council will be able to suggest means by which the duplication of suburban public transport can be avoided. I believe that a great deal of the losses on railways has been due to poor patronage by suburban people. It is not difficult to believe this when one counts, as I occasionally do, the number of people in a train when it is passing over a level crossing in off peak hours. No doubt improved rolling stock will make train travel more attractive.

In examining the Auditor-General's report, which to my mind is an integral part of the Budget papers, one sees the trends noticed last year and the extent to which they have

been taken into account in the current year. The Auditor-General refers to the buoyant revenue due to favourable seasons and economic conditions. It is true, as the Treasurer has pointed out, that the season this year is not likely to be so favourable. One would expect a note of caution in framing the estimates of receipts. While the yield from primary production may not reach the figure of the past year, the values of last year's wool crop and, in many cases, the values of last year's grain crops, will be brought into taxation for the current year from the Commonwealth's point of view, and the spending capacity which was created by last year's yields will not have materially declined. The additional population must necessarily increase our taxable capacity. The Auditor-General said that last year there was an acute shortage of manpower which caused some inability to carry out the whole programme of works and services. I should think the same conditions are likely to apply this year. Those who seek employees for their industries are confronted with probably as great a shortage of skilled and other employees as at any time. It is an extremely good thing, but on the other hand it does mean that it may not be possible for the State to complete the whole of its works because of that shortage. The Auditor-General refers to the relative stability of wages and price levels which enables the Budget to be cast with some certainty. The very pleasing feature of last year was the stability of price levels, which means that the current Budget could be framed with a good deal of certainty. The experience of a year or so ago, when rapidly rising costs were halted by the action of the Federal Government, did result in a substantial surplus in the State's accounts when anticipated increases in the cost of living and the wage bill did not eventuate, and this brought about an unexpected surplus.

The trend showing last year for the first time that the net cost or burden on the taxpayer was down should continue if conditions, as they appear to be, are reasonably comparable. Taxation receipts should be up because of increased population and because the full effect of increases in charges will be felt. It is pleasing to note in regard to succession duties, that the exemption to widows, widowers and infant children has been increased, and I hope the Government will always keep in mind that it is highly desirable that the very essence of thrift should not be deterred by penalizing the legatee who receives the equivalent of a house and furniture from one who has died.

The costs of social services, as may be expected in an expanding community, have risen. The increased pressure from the electorate on the one hand and the technical advances which are continually being made must be reflected in an increased vote for social services. Last year social services cost the taxpayers £13,000,000. This year £13,600,000 is being spent. The largest item by far is for education, which now receives from revenue £6,474,000. The next largest item, for medical, health and recreation, is £4,600,000.

The total Budget exceeds £52,000,000, or £1,000,000 a week. With members' indulgence I will put this in rather an unusual way to illustrate what it means. It is rather a far cry from the phrase of a former Premier of another State—I think it was Sir George Reid—"What is a million pounds?" From revenue alone we spend £1,000,000 a week and from loan money about £500,000. If we spend £1,000,000 in a 40-hour week we are spending at the rate of £416 a minute or, reduced to its ultimate division, £7 a second. There is a need for a reminder which should be iterated and reiterated—that the Government has no money of its own. It spends the taxpayers' money at the rate of £7 every second. One becomes accustomed to seeing that so much was given by the Government to one or another worthy cause—and if the member for Adelaide were present he would be interested to know that in preparing my speech I typed "Givernment" instead of "Government."

I am glad that the Government has, in many instances, retained the subsidy system in this Budget. It is very proper that we should encourage the active participation of people in the problems of government. I was pleased with the recent statement of a leading churchman who said that it was a good thing to leave room for private charity in these matters. I know that this is the view of all persons who accept seriously the idea that democracy means sharing in the tasks of government. I have no intention of entering into a detailed analysis of the figures contained in the Budget, because the Budget papers are most admirably prepared. The comment of Mr. Fitzgerald, the chairman of the Grants Commission, that South Australia has a model set of accounts, is worth repeating. It appears to me that it is profitable to analyse the trends of the Budget. A realistic approach to budgeting is that there is an expanding economy which justifies a view of optimism perhaps even a little less restrained

than it might have been a year or so ago. There is a very great future before this State. It has an enviable record in the management of its financial affairs, and I concur with the Treasurer that this State is well served by its Treasury Staff. The House may accept the Budget in the knowledge that the State budgeting has been good and that there is every prospect of achieving the result of a net surplus of £220,719. I would have been quite satisfied if the surplus had been £220,718 or £220,720. I support the first line.

Mr. HUTCHENS (Hindmarsh)—I express my appreciation to those who have already spoken on the Budget. We have listened to excellent speeches from the Treasurer, Leader of the Opposition and member for Burnside. When it comes to matters of finance the member for Burnside is always worth listening to. He goes to much trouble to prepare his matter and I thank him for his splendid contribution this afternoon. I do not agree with every aspect of his speech, and I know he would not want me to. However, his training as an accountant has helped him to make an analysis of the figures. The Leader of the Opposition has had a great experience in Parliamentary life, both in this State and in Federal Parliament, and he has also become accustomed to making analyses and computations. The Premier was assisted by very excellent officers, and I join with those who have spoken in appreciation of the manner in which they have prepared the Budget and the necessary explanations. I cannot hope to maintain the standard set by these speakers but I, like every member, am anxious to make some contribution on this all-important matter—important because the Government spends the taxpayers' money at the rate of £7 each second. We have to speak on behalf of those taxpayers and see that the money is wisely spent. It is difficult to prepare a speech in such a short time. The Premier was aided by an excellent staff but we are supposed to be prepared to make our contributions almost immediately. I think this would be an opportune time to correct a wrong impression that seems to be circulating throughout this State, through Australia and a good many democracies to the detriment of the democracies themselves, that members have a lot of spare time. It is also a common opinion among people that each member has a private secretary, whereas the truth is that every member has to prepare his own speeches and if it is necessary for his notes to be typed, he must

type them himself. Members have many matters to attend to when the House is not sitting. The public should be acquainted with these facts, because there is not one member who is not anxious at all times to give of his very best for his constituents.

Last week, when speaking on another matter, I made a statement that the members of the staff of the respective Houses of Parliament receive a satisfactory salary. This was misunderstood and it was thought that I meant my remarks to apply to practically every person employed in the House, but I meant them to refer to only the officers at the table. I did not mean that the officers were paid in excess of their value because I do not believe that they are, and on examination I have found that they are paid considerably less than officers of other State Parliaments in Australia. I was not reflecting on the ability of these men or their desire to give loyal and efficient service, because I believe they have given evidence at all times that they are capable and anxious to be of service.

Speaking in general terms, I believe that the Budget is satisfactory, although there are certain unsatisfactory aspects. The Premier spoke about the past history and the future of this State, and said:—

So long as we continue our striving and maintain our faith in ourselves, the past achievements may be regarded as an earnest of even greater progress in the future.

I agree with this. The member for Burnside made some reference to the remarks of the Leader of the Opposition about the necessity for production to secure money, and said that he was grateful that the Leader made that statement. It has always been the opinion of the Leader of the Opposition and of every member on this side of the House that money can be secured only by work and production and that there should be no other method of securing it. A compliment should be paid to people in industry, particularly those engaged in secondary industry, because nobody can disagree that our progress in recent years has been largely due to them. Although I do not desire to take credit from those engaged in rural industry, I think everyone will agree that progress in the field of primary industry has been brought about because of good seasons and good prices, and good prices have been due largely to world shortages and buoyant world economy. The development of research in rural science and the efforts of those engaged in secondary industry have made farming far more acceptable

to the average citizen, and I am amazed that more people are not going on to the land. Despite these advancements the exports of many primary products have declined. It is alarming that despite an increase of about 300,000 in population slaughtering of pigs has not increased to a marked degree since 1925; in fact, approximately 100,000 less were slaughtered in 1952 than in 1945. In 1949-50 this State exported a grand total of 1,036,860 sheep and lambs for export, in 1951-52, 692,699, a decline of 344,161. In 1952, 13,097 less cattle were slaughtered than in 1949, yet during this period the population increased by 23½ per cent. Despite substantial increases in the population the slaughtering of animals that supply meat requirements has decreased. It is evident that meat production is not keeping pace with population increases and is not being exported in large quantities; this is reason for concern. The falling off in slaughtering occurred at a time when the world was faced with a food crisis and every section of Australia should have endeavoured to provide food for the millions that sorely needed it. It was a golden opportunity for this State to build up an export trade of its primary products. This year £33,000 is provided under the heading of "Agriculture" for research officers and advisers. Last year about £37,000 was spent for the same purpose, and it is a matter for concern that more achievements have not been made. These people have been able to assist the primary producer and have made it possible to produce from land once considered unproductive. They have been able to improve the value of many of our primary products. It is somewhat alarming to find that rural producers do not accept their advice to any extent and fail to appreciate the great opportunities before them.

Mr. Macgillivray—The primary producer has embarrassed the economic system with his ability to produce.

Mr. HUTCHENS—I challenge the honourable member to establish that when he speaks. It is easy to make a statement like that, but I think he will be incapable of proving it.

Mr. Pearson—You might well establish your statement that the primary producer is not taking any notice of advice.

Mr. HUTCHENS—The Leader of the Opposition showed that the primary producer has been so well off as the result of good seasons and high prices that he has gone happily along without any concern for the rest of the community.

Mr. Pearson—You can't prove that.

Mr. HUTCHENS—What made me raise this point was the Treasurer's statement:—

South Australia had, for many years been regarded as a poor State, dependent for the maintenance of frugal standards of social services and struggling industry upon assistance from the more prosperous and populous States. It suffered more severely from variations in economic activity and from seasonal variations than did other States.

South Australia was then dependent on its primary production for its very existence. The prosperity of our secondary industries is most important, but the decline in primary production, on a population basis, will have not only a bad effect on the State's exports, but may even convert this State into one that has to import primary products. I stress that the Government has not encouraged greater rural production. It has adopted a policy of putting all the eggs in one basket and ignoring the goose that once laid the only egg. In paying too much attention to the pretty bantam presented to us by an understanding godparent the Government has been a little reckless, and to show the bird as being one incubated from the goose egg is rather extravagant. Nevertheless, that has been the attitude of the Treasurer. The Treasurer's purpose in looking back over 16 years is obvious. He thinks that the people can be made to believe that the increase in population and in our industries has been the result of the policy and actions of the Liberal and Country League Government, but let us have a look at the position. According to the Statesman's Pocket Year Book for 1952 the population increased by 14.01 per cent between 1901 and 1911, by 21.24 per cent between 1911 and 1921, and by 17.33 per cent between 1921 and 1933. Since 1933 we have had Liberal and Country League Governments, yet between that year and 1947 the population increased by only 11.21 per cent. It has not been until recent years that the population and industries advanced rapidly. Incidentally, this progress has been made under the system of uniform taxation, which was condemned this afternoon by the member for Burnside. I point out that we as a State only existed (and I say "existed" advisedly) under State taxation. Under that system a man on an income of £600 a year paid £89 9s. in taxation, which was the highest in the Commonwealth, yet under uniform taxation he paid only £26 2s. If South Australia levied income tax, and at the same rate, many of our industries would move to other States.

Mr. O'Halloran—Many industries contemplated moving.

Mr. HUTCHENS—One of the biggest threatened more than once to move, but it is still here because uniform taxation has been retained. Members who urge the abolition of this system talk with their tongue in their cheek. South Australia progressed only because of the generous assistance given by a Federal Labor Government in pursuance of Labor's policy of decentralization of industries.

The Treasurer said that in years past South Australia did not have a suitable fuel for power production, and that is true, but during the war a man with great vision saw the needs of South Australia and recognized that its industries should be assisted. The late Ben Chifley established many wartime industries in this State and later made them available to private enterprise. They are still functioning and are returning considerable revenue to the State. He also greatly assisted financially in the establishment of the Leigh Creek coalfield. The assistance given by his Government made South Australia a flourishing industrial State.

Mr. Davis—What about the Whyalla pipeline?

Mr. HUTCHENS—Many projects were assisted by a Federal Labor Government. Having been given the lead by that Government the South Australian Government co-operated on matters of national importance. On many occasions the Opposition joined forces with the Government in the interests of the State. It did not merely seek to play Party politics, and it is amazing and regrettable that people have been led to believe that the Premier was able to dictate to the Opposition. I emphasize that Labor members make their decisions in the interests of the State, without regard to political advantage or their opponents' disadvantage. Realizing that Australia as a whole must progress, the Federal Labor Government when in office gave every possible assistance to South Australia. On no occasion did Mr. Playford fail in his requests to Messrs. Curtin and Chifley, and as a result of Commonwealth assistance many mighty projects were established in this State. The story today, however, is entirely different for there is a Liberal and Country Party coalition Government in Canberra.

Mr. O'Halloran—The result is an atomic reactor for New South Wales.

Mr. HUTCHENS—Yes, it can be said of the Playford Government today that "Their's not to reason why, their's but to do and die."

The Hon. M. McIntosh—The noble six hundred.

Mr. HUTCHENS—Apparently the Minister counts it noble to follow the political dictates of the Menzies-Fadden Government despite the lack of wisdom of its leaders.

Mr. O'Halloran—Its only difference from the noble six hundred is that the Playford Government has armour-plated itself politically so that it can live on.

Mr. HUTCHENS—Yes, under a benevolent dictatorship! On October 15 it seemed that someone had blundered, for the front page of the *Advertiser* displayed the heading "Premier fails in his efforts."

Mr. O'Halloran—Surely the Premier didn't say that?

Mr. HUTCHENS—The *Advertiser* said he did. It must have been hard for it to print that headline, for it is the first acknowledgement by it of any failure by Mr. Playford. He failed because the Menzies-Fadden Government—the Frankenstein of his own creation—knocked him back. Under the Federal Government's plan New South Wales, with its great coal deposits, is to have an atomic reactor. It also benefits from the Snowy Mountains hydro-electric scheme and in future will probably use most of the £9,000,000 worth of electricity generated by that project. The establishment of an atomic reactor in this State would be of great advantage, but I believe the Federal Liberal and Country Party Government is counting the votes cast in the eastern States rather than the net advantage that would accrue to the Commonwealth by establishing the reactor on a logical site. South Australia, with its lack of water, coal and oil resources, has been denied the atomic reactor, although it has shown energy and initiative in the development of its uranium resources. Evidently the Menzies-Fadden Government puts politics first. I protest against its decision on the atomic reactor and express the hope that this Parliament will show its faith in this State by overcoming the difficulty created by those who, as a result of political manœuvring would deprive this State of its just rights.

I now turn to a consideration of some items in the Budget. On behalf of a number of my constituents I express my appreciation of the services rendered by the staff of the Magill Ward, a section of the Hospitals Department, in looking after patients. I have, however, one or two suggestions to make on matters concerned with the department. I have received a number of complaints from people who, having lost limbs, have gone to the Adelaide Hospital for artificial limbs. The practice is for

patients to pay for those limbs prior to their being received by either the Hospitals Department or the patient, and if the limb proves unsatisfactory there is no chance of having it adjusted or the cost refunded. This matter should be investigated and steps taken to remedy any defect in this regard. If my statements are not correct an announcement should be made to inform people of the true position.

Many pensioners living in country districts must enter country hospitals for treatment, yet are not entitled to a refund of any portion of hospital charges. Recently I received a letter from a female age pensioner who had to spend some time in a hospital at Whyalla, and had it not been for the generosity of the hospital board she would have been obliged to pay the full fee.

Mr. Quirke—No pensioner is refused treatment at a country hospital merely because he cannot pay. Country hospitals write off thousands of pounds every year because of their generosity in this regard.

Mr. HUTCHENS—Yes; but there is something wrong with the Federal health legislation, and this Government should see whether something can be done to relieve sick pensioners receiving hospital treatment of at least some part of their financial responsibility. Last week I asked the Minister of Education a question regarding the carrying out of minor and urgent school works, but I think he missed the point in his reply. I know of a school that had the water-connected but insufficient taps to supply all the children at recess time. An application was made to the Education Department for a few extra taps, and the department said that the Architect-in-Chief's Department would carry out the work when men and materials were available. The school committee said it would find the materials and arrange for the taps to be installed, and they were told that the cost of the work would be subsidized. The only alternative was to submit plans for the work and wait for the Architect-in-Chief's Department to carry it out. Surely if both the labour and materials are found by the school committee the work should not be regarded by the department as capital work.

Mr. McAlees—In the meantime the kiddies must go thirsty.

Mr. HUTCHENS—Yes; surely the school committees are to be trusted for they give voluntary service throughout the years in the interest of the children. Further, they have raised over £143,000 during the past year for expenditure on school amenities and equipment.

The matter I have mentioned deserves consideration by the Minister. It is possible for a subsidy to be granted on a refrigerator made available for science studies. For years school committees and parents and friends associations have explored every avenue possible to raise money for the purchase of refrigerators to be used in school tuckshops so that children may be supplied with a wholesome meal under proper conditions. Their installation enables more food to be sold and a greater profit to be made. In turn this profit is used to buy equipment for use in schools; therefore, the Minister should consider granting a subsidy on the cost of refrigerators used in tuckshops.

For some time I have been talking about the age at which children leave secondary schools and have been perturbed by the replies given by the Minister. In these days third and fourth year scholars leave school before the end of a term, and even some first year scholars do it, with the result that the school becomes overstaffed and has more equipment than is needed. The department has had to meet the expense of providing the staff and the equipment for enrolments at the beginning of the year and it should see that within reason the scholars continue for the rest of the term.

The Hon. B. Pattinson—What about the duty of the parents, some of whom allow their children to go into highly lucrative, but dead-end jobs?

Mr. HUTCHENS—That presents a difficulty, but steps should be taken to avoid what I have mentioned by seeing that the children finish the term.

The Hon. B. Pattinson—We desire that, but many of the parents are too greedy.

Mr. HUTCHENS—That is so, but the taxpayers' money is being wasted because of the action of a greedy few.

Mr. Quirke—What do you propose?

Mr. HUTCHENS—By regulation the Government could increase the age at which children leave school, and I think it could compel the children to complete the term.

Mr. Dunnage—What is the good of parents sending their children to school if they don't want to go?

Mr. HUTCHENS—That is an intelligent interjection. If it were carried to its logical conclusion there would be no fixed age at which children could leave school.

Mr. Dunnage—Why force children to go to school in the last few weeks?

Mr. HUTCHENS—Surely the honourable member does not want children to leave school too early. Education is a very important matter. I note with a good deal of satisfaction that there is an improvement in railway revenue. As the Leader of the Opposition said, no reason was given for the decrease in railway expenditure. Revenue could be still further increased if there were improved suburban services. I appreciate the shortage of labour and materials so often mentioned by the Minister, but the services could be improved, particularly in the western suburbs. People like to travel as quickly and as comfortably as possible and that is the form of transport they will support. In the past there have been too many accidents at railway crossings on main roads. People with high-powered motor vehicles are more conscious of the speed at which they are travelling than the approach of on-coming trains at these crossings. There should be warning devices at all railway crossings on main roads. Some serious accidents have occurred where there are no devices.

Mr. Jennings—What would be the cost of them?

Mr. HUTCHENS—It is impossible to say because of the different conditions at the various crossings.

Mr. Quirke—The installation cost is from £500 to £1,000.

The Hon. M. McIntosh—In proportion to the services provided, we have a greater number in our State.

Mr. HUTCHENS—There are still not enough.

Mr. Quirke—A number are installed each year, according to a priority list.

Mr. HUTCHENS—They should be at all railway crossings on main roads.

Mr. Quirke—I think that is the intention.

Mr. HUTCHENS—If that is so, I am pleased. The Police Department is trying to make the force as mobile as possible, and I do not disagree with that, but generally speaking some of our beach areas are now inadequately policed. Recently I asked for extra personnel at the Henley Beach station. Because of the tram service running straight through from the eastern suburbs more people are going to the beach and the present police force has been found to be inadequate. The locality of the station is also unsatisfactory. I understand there is a move to build a new station and I hope it will soon be available. In recent years the Tourist Bureau has been

doing very good work with its films and I pay a compliment to it. Some of them are excellent, but there is a complaint that many have a political tinge. Because of the electoral set-up in this State it is difficult to change the Government. One of our Ministers has become photogenic and is ever before the camera, with the result that in the films we see quite a lot of him. It could be said that the Tourist Bureau is becoming a political institution, but I do not accept that. The showing of films by the bureau in small suburban halls has resulted in many of our people now visiting South Australian pleasure resorts instead of going to other States. I want the Government to make known more fully the sponsoring of youth travel, which is a move that merits much consideration. Recently at Hindmarsh a worthy citizen joined wholeheartedly into the scheme and found the necessary money to enable a boy from the district to travel. It is regretted that his act was not more appreciated because it would be pleasing if more boys could be sent away. The scheme seems to be misunderstood. It is thought by some parents that only a favoured few are considered, but that is not the case because every applicant receives a fair hearing. There should be more advertising of the scheme to enable more boys to gain education through travel.

I express regret that the Tramways Trust is not more appreciative of what it can do towards providing improved services and thereby increasing revenue. Recently it was brought to my notice that 53 scholars of the Flinders Park School desired to visit the city to look over some of our leading institutions. Although the ordinary return tram fare is 8d., on inquiry of the Tramways Trust the price quoted was 1s. 6d. per head. As a result the job was given to a private bus owner, who transported the children for much less. As the Government financially assists it, the trust should attempt to provide such services at a reasonable rate.

Only a small amount is proposed for the Aborigines Department. Unfortunately our aborigines are somewhat neglected. A number of worthy institutions are trying to do something for them, but some of them are controlled by a type of person whom we would not entrust with the management of the Electricity Trust or other important concerns. Although their intentions are good, they are incapable of giving the necessary attention to these people to fit them to be absorbed into the community. I do not wish to single out any of these

organizations, but the Government should take steps to see that these homes are brought under its control.

Mr. RICHES—Give them the necessary finance and it will be all right.

Mr. HUTCHENS—I do not agree. I feel that the position demands the employment of trained personnel who have something more than good intentions. I draw attention to the good work being done by the District and Bush Nursing Society. It has done a remarkable job for many years in assisting poor and sick people. I understand the first branch was established at Marree. It has since spread throughout the State. This society could be used to greater advantage. Many people have telephoned me inquiring where its headquarters were situated. Municipalities would assist greatly if they were to make this information public. There are great possibilities for South Australia, but these can be exploited only by every member of the community appreciating the fact that it is his State and realizing that he must give of his best if he is to reap the full benefit. I hope in the near future we shall be able to establish a more truly democratic order and that the people, appreciating the conditions under which they live, will have the right to say who shall administer the laws and the government of this country. Thus we shall be able to change our Government when we are dissatisfied, correct wrongs and amend those things which are in need of correction. Then this State will surely progress.

Mr. RICHES (Stuart)—I express strong resentment at some aspects of the Budget, and express satisfaction, which I consider the people of the State as a whole share, at the extent to which the Budget represents continued development and prosperity. I am afraid I do not share completely the Treasurer's claim that we are the most prosperous State in the Commonwealth. All I can say is that if the average earnings of the people of South Australia are, as he claims, in excess of those of other people in the other States and in truth South Australia is the most prosperous State in the Commonwealth, there is a very large section of our people who are not getting their fair share of the rewards of their industry. We notice that while the Budget provides for a deficit, the Commonwealth Grants Commission has expressed the opinion that the needs of the State should be reasonably met from accumulated surpluses in the consolidated revenue account. The actual accounting is for a balanced account at the end of the financial year rather than an increase

in the public debt or a deficit as we normally understand a deficit. So far as the Budget before us demonstrates the state of progress and indicates the development that has taken place in production, I think everyone in the State derives satisfaction and gives credit to all those responsible. In his concluding remarks the Treasurer claimed that greater development is in store for South Australia than ever before, but he referred to South Australia as being without resources. I do not agree with that entirely. We have made excellent use of some of our resources in face of difficulties and I give full credit for that, but I do not agree that we are a State without resources. We must do more to develop the resources we have than we have shown an inclination to do in the past. South Australia has been blessed with the richest iron ore resources in the Commonwealth which have few superiors in any other part of the world, but we have done less about it than anyone else I know. We have had demonstrated that South Australia is comparatively rich in uranium, and the indications up to the present are that although the Treasurer is alive to the situation, the Federal Government has taken it for granted that we as a State will allow the development, which should grow up around the natural resources, to take place elsewhere. I hope the people of South Australia will speak as one in their determination to see that the development associated with the production of uranium shall take place in South Australia. There are other resources available to us which we should see are exploited for the benefit not only of the State but also of other parts of the Commonwealth. I believe the northern parts of South Australia will prove to be a centre of development the like of which we have not yet known, or comprehended. In the forefront of development which will take place are our scientists, who will continue to explore to the full the development of nuclear fission, and its application to the various forms of industry.

The Treasurer said that whilst under the present system Budgets can be balanced in South Australia, we cannot do better than that. What better can we expect than the balancing of our accounts? We should not extract from our people more than is required to continue the services of the State and its development, and having done that fairly and progressively and shown a balance of our accounts, is not that a satisfactory situation to arrive at?

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

Mr. RICHES—As I understand it, the function of Parliamentary Government is to raise money by taxation and other methods for the purposes of carrying on the services of the State and developing the State. The functions of a member of Parliament are to protect the taxpayer against any undue demands of representatives of the Crown. I believe that is the reason we are permitted to reduce items in the Budget, but not to propose any motion which would involve any increase in items. As long as we can satisfactorily balance our accounts the accounting of the State is being well handled. The Treasurer complained about the continuation of uniform taxation and argued that if we could return to pre-war conditions under which the State levied its own taxation we could do better than balance our accounts. He visualizes either that the State would collect more money from taxation than is being collected at the present time, which would be a burden on the taxpayer, or that the Commonwealth would take less. We have not experienced the imposition of taxation by the individual States with defence expenditure of anywhere near the magnitude obtaining today. Any return to State taxing must inevitably result in increased taxation, because I cannot see the Commonwealth reducing taxation in its field and the States could not hope to take to themselves the same sphere of taxation as they did prior to the war. Whatever other sources the State would seek to tax it must inevitably lead to increased taxation and unnecessary duplication of the administration and collection of tax. We should strenuously attempt to avoid that.

No case has been made out for a return to State taxing, but I think the Treasurer has made out a case in support of his second suggestion that the reimbursement payments from the Commonwealth to the States should be revised and placed on a more realistic basis. He made an excellent point on behalf of this State when he pointed out that the increased taxation which comes as the result of the development of Whyalla and other industrial centres has not returned any additional revenue to this State and that whilst we have been faced with the necessary expenditure the return, by way of income tax, has gone to the Commonwealth and we have not received a proportionate amount. That is particularly evident at Port Augusta where everything revenue earning is under the control of the Commonwealth Government and all services are charges upon the State's finance. The post office, railways and wharves, all revenue earning, are under the

control of the Commonwealth, but education, hospitalization, fire brigade, police and road services are paid for by the State. I suggest that that point might be taken into consideration when the State presents its claim to the Commonwealth Grants Commission, before which I understand evidence is being placed next week. The provision of the services I have mentioned involves the State in heavy expenditure in the Port Augusta district, but there is no direct return recoverable by the State from the Commonwealth in respect of them.

There are one or two matters associated with the Budget which afford me disappointment and, in the absence of satisfactory explanation, resentment. From time to time, and for many years, I have advocated that assistance should be granted to the Bush Church Aid Flying Doctor Service. Debates have taken place and questions have been asked and I still consider the Government has not done the right thing by that organization. The Treasurer firstly objected to assisting that body because, he said, it was associated with a denomination, but when it was eventually explained that it was no more denominational than the Salvation Army in its prison aid reform and other bodies in the conduct of social services they sponsor and are responsible for maintaining, the Treasurer argued that it was a service not generally operating in other parts of the State and not comparable with any other service. I never could understand that objection because it is an extra service. There is no other service equal to it. That body puts a doctor down in such remote places as Coober Pedy, Cook, Tarcoola and Mulgathing for consultation regularly every month and also provides for calls in cases of emergency.

The Hon. T. Playford—The society has already been notified that it will be receiving a grant.

Mr. RICHES—The Minister of Agriculture, on behalf of the Premier, announced at the opening of the radio base at Ceduna that £500 was to be made available this year. I do not suggest for one moment that the Government will not honour that undertaking but I was disturbed, when reading the Budget, to notice that whilst £1,000 was provided for another flying doctor service there was no line relating to the Bush Church Aid Society.

The Hon. T. Playford—The honourable member can regard it as definite that a grant of £500 will be made.

Mr. RICHES—That will be the first grant the organization will have received and everyone associated with that body will be grateful,

although I consider that grant to be totally inadequate. That organization maintains two aeroplanes and must spend £1,000 annually to have one of them overhauled; it must maintain two pilots and must run these services every month and it is entitled to more consideration than an amount which represents half the amount paid by way of subsidy to another flying doctor service. It is hopelessly inadequate when compared with grants in respect of other work being done in the community. Perhaps I have a one track mind on this matter, but the more I see of the work the greater the admiration I have for it and the more I am convinced that there is no other service to equal it in South Australia. I pay a tribute to the doctors, pharmacist and pilots. Mr. Chadwick has had 16 consecutive years in the air. I do not know how many flying hours he has recorded, but it is a record unequalled in Australia and he has never had an accident. When I think of the work he could do and the positions a man of his ability and experience could occupy and realize what he is sacrificing in order that his services should be made available in the district I represent I feel very humble. I take my hat off to one whom I believe to be a very great man. Those associated with opal mining at Coober Pedy have the greatest praise for the doctor who comes to their centre to provide them with regular check-ups and treatment. It is a great boon for out-back people and all persons concerned speak in glowing terms of the work of the doctors. A remarkable feature of this service is that it is provided almost entirely by women. The two doctors, pharmacist and hospital staffs are women. The only men associated with the organization are the pilots and the organizing secretary. I am disappointed that no grant has been made for this service, because the Treasurer has given promises in previous debates that if it could be established that it was worthy of help, money would be available during that financial year out of the contingency fund of about £12,000. I still ask whether consideration could not be given to the provision of some assistance for this organization in this year's Budget in respect of last year's operations, and I ask the Government to live up to the undertaking.

A resolution was passed in this House last year on the desirability for the establishment of a steel works at Whyalla. Before the dinner adjournment I said that this State, far from being poor in natural resources, has rich natural resources that it is not making the best use of. An instance of this is the iron

ore deposit at Iron Knob. I am glad that the Treasurer saw fit to call into conference the directors of the Broken Hill Proprietary Company and discuss with them the possibility of establishing a steel works. It was reported in the press this week that the Treasurer is going to Melbourne on Friday this week to confer still further with the directors of this company on this matter. I have read very carefully the Treasurer's reply to questions and he has not intimated that the conference will discuss steel works at all. We have asked for a steel works based on the recommendations to this House by the Director of Mines and I do not think South Australia will be satisfied until it is established. We all recognize the task the Treasurer has ahead of him, but we also know that when he reported to the House he said that the company was quite firm in the stand it had taken that it did not have the finance at present to establish a steel works, but that some industry had been suggested for Whyalla, although he did not say what it was or what form it would take. He said that the company wanted three weeks to consider the matter after which a further conference would be held. I hope that, whatever the industry is, it will be a substantial one and that the Treasurer will be successful in his mission.

I think it should be understood that when he goes to Melbourne he does so not as an individual but as a spokesman for the whole of the State, and that every section of the community is interested in this proposition and will watch the outcome with a great deal of interest. If this conference had been held, as it should have been, when the Director of Mines first called the attention of South Australians to the need for steel works we might have been in a better position to negotiate and achieve something concrete. Just what the delay has cost Australia in premiums on imported steel and in delay in construction, nobody knows. The Port Augusta Corporation, after trying for many years to obtain electricity poles wrote to the Electricity Trust about the matter and last week a reply was received stating that the B.H.P. had just cancelled an order for 4,000 tons of steel to the trust. We were warned by the Director of Mines five years ago that we would get into this situation, but nothing was done until last year. It is to be hoped that the Treasurer will take the strongest possible stand at the conference and let it be known that South Australia wants a completely integrated steel works and nothing less. When representations were made we were told first that we could not possibly think of a

steel works because the company had the complete monopoly of the iron ore resources in Australia and that it was just not interested. I never accepted that position because I believed it would be in the interests of the company.

The Treasurer said finance was not the obstacle and the only drawback was the fact that South Australia did not have any iron ore resources available to the Government. The Chancellor of the British Exchequer assured the Treasurer that finance could be made available to the Government for the development of this industry. The Treasurer went to England and took with him a copy of the first report of the Director of Mines. When a motion was moved in which the House was asked to express an opinion, the Treasurer reversed his opinion; he said that finance was the prime obstacle and that the British Government was not able to make money available. He said that the Chancellor of the Exchequer had warned the Government on two points. The first was that in Mr. Dickinson's report reference was made to the fact that steel had been exported from Australia to England, and that England was stepping up steel production itself and may not require the same quantity as in the past. That was fully taken care of and explained in Mr. Dickinson's report, and his ideas have not proved to be wrong. The Chancellor of the Exchequer said he was impressed by the case prepared by the Director of Mines. Another point he made was that finance may not be readily available in England at that particular stage because they were denationalizing the steel industry and would have to be assured that money was available before a guarantee to help Australia could be given. Apparently the British steel interests have completed their financial commitments in England, because it is reported in the *Advertiser* that on October 7, 1954, the *Hindustan Times* published a report that British industrialists offered to invest in a 1,000,000 ton steel plant in India, to cost £70,000,000. I emphasize that that is the size of the steel works that Mr. Dickinson recommended should be installed at Whyalla.

We were told first that British capital was readily available. When some definite reply had to be given we were told that it was not available, yet British capital is now to be invested to establish a steel works in India of the same size and at the same cost as the suggested Whyalla works. The people who are interested in seeing development take place near natural resources in this State are entitled to ask why this money should be available for

India and not for this State. The story of the development of the steel industry in Australia is one in which South Australia has missed out all along the line. Money has been found for enlarging undertakings and establishing industries in other States with raw materials taken from South Australia to our disadvantage. I hope that when the Treasurer meets the directors of the company in conference he will go armed with the knowledge that capital is available in England, and I do not believe England would go back on the undertaking it gave when the Chancellor of the Exchequer came here and assured us that money was available for the development of industries in underdeveloped countries. An excellent case can be made out for the establishment of a steel works. I often wonder whether the case that South Australia places before the Federal Government and before companies such as this for the establishment of a steel industry or an atomic power station would be strengthened if a deputation, composed of representatives of both sides of the House met the respective authorities. That thought occurred to me when I read reports of speeches delivered in Adelaide last week when South Australia's case for the establishment of a nuclear research station in this State, in association with the work that has already been done with the natural resources of this State, was treated in the press merely as a personal debate between the Premier and the Prime Minister. These negotiations are on a much more important and higher plane than that, and it should be demonstrated that the Premier is not playing a lone hand, so lone that the Prime Minister referred to it as a kind of dictatorship. In these matters the Premier speaks for the whole State. South Australia, not just one section, is asking for a nuclear research station. I wonder whether that mistaken attitude would be effectively broken down if Parliament went with a united front to the Commonwealth. If the Premier took with him the Leader of the Opposition it could be demonstrated that this is not a Party or sectional matter, but that South Australia speaks with one voice.

The people of Quorn were pleased with the Treasurer's suggestion that the saving in freight that will be effected as a result of the construction of the new railway line between Leigh Creek and Port Augusta should be paid into a fund and used for the purpose of providing services to Quorn in an attempt to retain it in somewhat the same position as that fine town is in today. The distance saved

by this new line will be nine miles and at a saving in freight of one halfpenny a ton mile thousands of pounds a year could be paid into the fund. The last thing that the people of Quorn want is compensation. They feel that if they are forced into accepting it as a last resort it should be available to them, but that every other avenue should be explored first in order to retain Quorn in its present state. One way to do this would be to improve the road between Quorn and Port Augusta. Two years ago the electors of that area petitioned Parliament for special consideration to be given to bituminizing the road. Following on their representations, the Commonwealth Railways Commissioner agreed that the men whose place of employment would be transferred from Quorn to Stirling could still live at Quorn if they desired. Many would continue to do so if the road were improved. Quorn is too good a town to be allowed to retrogress, but I believe that the spirit of the people will ensure if it is humanly possible, that it will not. It seems that many railway employees will have to work at Stirling, but a great many are sufficiently loyal to Quorn and have enough affection for the town to want to still live there if a reasonable road is constructed.

I am still not satisfied that people interested in establishing an industry in this State are requested to go to the country. It should be someone's responsibility to show them the advantages of setting up industries away from the city. We too often read that overseas interests wanting to establish industries near the Rocket Range, end up by establishing them near the city. Not long ago one establishment was located near Salisbury, though it is intimately associated with the Woomera Rocket Range. No satisfactory explanation has yet been given why the Army Ordnance Depot should be established at Salisbury. The metropolitan area is expanding so fast that the services of the city will be overtaxed. Instead of being the delightful place that Adelaide now is it will become a shambles unless something is done to take the population into areas that need industries. I give the Premier credit for what he is doing in establishing secondary industries, but no one can tell me that he has sufficient time to foster secondary industries in country districts, nor has any member of Parliament or town clerk the information at his disposal to do this. Someone should be responsible for promoting decentralization. Unless this problem is solved the city will become bigger and bigger and it will be more difficult than ever to get people

to live in the country. We must get more people into the country if we are to provide adequate services and amenities to make country life comparable to city life. Many government departments, especially the Education Department, find it hard to persuade men to go into the country. It is just as necessary to have highly qualified teachers and other officers in the country as in the city. I hope the Government will fully consider my remarks, particularly my plea concerning the Flying Doctor Service grant, and I support the first line.

Mr. JENNINGS (Prospect)—As the Estimates are more or less only a distribution of money collected by the Commonwealth Government one cannot say much about the Government's Budget policy, particularly as this Government follows an orthodox system of finance that enables the State to obtain funds in a way that involves the least dislocation to the community and distribute it in such a way as to avoid political hostility. The Treasurer introduced the Budget, but it was left to the member for Burnside (Mr. Geoffrey Clarke) to explain it.

Mr. Davis—And he thoroughly explained it.

Mr. JENNINGS—He did an excellent job. Of course, he did not offer any views of his own, but I do not blame him for that because probably his ideas of economics are the same as the Government's. No doubt the member for Chaffey (Mr. Macgillivray) will later tell us about the tremendous interest burden which this Budget—

Mr. Macgillivray—Why leave it to me? Doesn't it concern you, too?

Mr. JENNINGS—On this occasion I shall get in before the honourable member.

Mr. Quirke—That's a change.

Mr. JENNINGS—I deplore, as the honourable member does, that the way we finance our works imposes in perpetuity an ever-increasing interest burden on posterity. Labor members agree with Mr. Macgillivray when he says that the huge proportions of our public debt are due to the present capitalistic system.

Mr. Macgillivray—I say "the present financial system."

Mr. JENNINGS—It is news to me if the present financial system is not a capitalistic system. The Treasurer and other members who believe in orthodox finance have said recently that, even though we are building up a huge debt, we are at the same time creating assets. In reply to Mr. Macgillivray's interjection the Treasurer said he believed that the

debt on each child born was a certain figure. Some members will argue that no Australian would sell his birthright for that figure, and that is true; but on the other hand a person who raises a loan to buy a house does not like to leave the same loan to his children when he dies. On many occasions however, a person has to borrow money to meet his interest commitments and the position may deteriorate until he has paid many times the amount borrowed. In the same way we are not paying for our public assets even though we are creating them. We are borrowing more money to pay the interest on our public debt, and we are getting further and further into debt all the time; that process must continue under our capitalistic financial system. I mention these facts only to assure Mr. Macgillivray that, even though they are discussing an orthodox Budget, Labor members are not, as he suggested recently, tools of orthodox finance.

Mr. Brookman—Have you any proposals on the matter?

Mr. JENNINGS—The Labor Party's proposals are well known and are stated in our objectives. Mr. Macgillivray frequently advances a policy that he says has been implemented in Alberta, but it has not really been implemented there at all. The Treasurer's Budget speech contained the extraordinary statement that prices had been stabilized, but that is not true. The member for Burnside (Mr. Clarke) went even further and said they have been stabilized by the Federal Government, but that Government has taken no effective action toward that end. In pegging wages the Federal Arbitration Court took steps that were designed to stabilize prices, but prices have been rising ever since.

Mr. O'Halloran—The member for Burnside may have had some inside information. The Federal Government may have instructed the court to peg wages.

Mr. JENNINGS—Possibly, but from its inaction in other respects I do not think the Federal Government would act even along those lines. Although wages have been pegged prices are still rising, and the last cost of living index figures published showed that in South Australia over the last three months the cost of living rose more than in any other State. Yet the Treasurer, two or three days after that announcement, said that prices had been stabilized. Prices are still rising despite the pegging of wages by the Federal Court, from which the Playford Government has not dissociated itself. Today the worker does not receive even the belated recompense he

previously received for price rises that had occurred during the previous quarter. I trust that the Treasurer's statements which we cannot check are more accurate than this one which we can check and which we find to be entirely inaccurate.

Mr. Brookman—What would you do about this problem?

Mr. JENNINGS—Restore the cost of living adjustments to the workers to recompense them for prices rises.

Mr. Brookman—What would happen after that?

Mr. Dunstan—In a planned economy the production and prices of commodities would be determined.

Mr. JENNINGS—Referring to tax reimbursement payments the Treasurer said:—

The disclosure that the South Australian population had increased even more rapidly than official records had previously disclosed has prompted me to make a marked revision of the Revenue Estimates. Members will know that the formula for determining the distribution among the States of the tax reimbursement payments depends primarily upon the relative total populations, and, in part, upon proportion of children in the population. Original estimates suggested that the tax reimbursement payment to this State for 1954-55 would be £12,924,000. I now estimate that this will be greater to the extent of about £350,000 based upon the figures of the recent census.

There the Treasurer is saying—with justification—that, as the latest census figures show that South Australia's population has risen out of proportion to the rise in other States, we should get a greater allocation of Federal funds as tax reimbursement. I ask, however, how that statement ties up with the following statement which he made later in his Budget speech:—

My one serious complaint in this connection, and it is not a complaint against the Commonwealth Grants Commission or its methods, is that the State finances seemed to be precluded from additional benefit arising out of the greatly improved state of our economy. We can be assured of a balanced budget so long as we budget for both revenues and expenditures upon a basis reasonably comparable with other States. But we are not permitted a better result. If, for any reason, we should become entitled to increased tax reimbursement payments, the grant recommended by the Grants Commission correspondingly reduces. The State, though it can reckon on a balanced budget cannot, so long as it is a claimant State, do better.

If over the past 16 years our economy has improved to the extent claimed by the Treasurer, why should this State continue to claim certain sums before the Grants Commission

while it is entitled under uniform taxation to an additional taxation reimbursement because of its increased population? If this State could, by means of taxation reimbursement, build up a surplus, write off portion of the public debt, or keep the money in reserve for a rainy day, why does not the Government refuse to claim on the Grants Commission? It seems that the Treasurer wants it both ways; he wants to be free from those conditions imposed on him by the Grants Commission, but he still wants to go to the Grants Commission each year and get the £2,000,000 or £3,000,000 disability allowance he is able to get at present. Uniform taxation may have some disadvantages, but I am one who sincerely hopes that it will continue in Australia, because it gives Australia a national financial policy instead of several State financial policies.

I wish to mention some matters relating to my district. The Gepps Cross migrant camp is now beginning to seethe again with discontent. I do not blame the State Government entirely for this; I regret that the Commonwealth Government should have the power and responsibility of bringing migrants to Australia and then very little responsibility in seeing what happens to them, particularly regarding their housing.

Mr. Michael—Do you believe the Commonwealth should have all power?

Mr. JENNINGS—No, but it should have sovereign powers. The honourable member will agree that through the division of power we are in a sorry plight in regard to our migration programme. The Commonwealth Government can bring in any number of migrants but once they are here it is the responsibility of the various State Governments, who had no voice in the Commonwealth migration policy, to find houses for them. The Commonwealth Government puts them into hostels and as far as that Government is concerned they can stay there forever. The South Australian Government did an admirable job in taking over the Gepps Cross migrant camp. To some extent it alleviated the then problem but now some people have been there for over three years and see no prospect of ever being able to move out. All of them have applications with the Housing Trust for transfer to more permanent accommodation. Some can be transferred to prefabricated homes where there is not such a long waiting list, but others cannot be considered for the more permanent accommodation because of the long waiting list. I do not advocate that they should get homes in preference to Australians. The position at the hostel

has caused much discontent and some fine migrants have made arrangements to return home and others are talking about doing so, which is a sad state of affairs.

I do not recommend preference to them in the allocation of homes and I know from experience that they do not want it. Without any apparent plan the trust transfers some of the migrants to more permanent accommodation after about 12 to 18 months, whereas others who have been there for three and more years cannot be transferred. We know that the ways of the trust are mysterious and hard to follow. I cannot always follow its workings but I have not known an occasion when a person in the community generally has been unjustly treated. Usually when a decision is made there is a good reason for it, but the Premier said that the trust reserves the right to choose its own tenants. I do not believe that it should have that right to the extent that it is choosing tenants from Gepps Cross. If there is an adverse report about an applicant I do not expect him to get a house, but when there is no apparent reason for other applicants being transferred after a shorter time of residence at the hostel there is discontent, and a good many of the migrants are talking about going home because they see no chance of getting a home here. People at the hostel are being transferred in a most indiscriminate way. If there were a Minister in charge of housing we could seek information and get to the root of the problem, but when we have to deal with an organization not responsible to Parliament it is hard to learn the reason for many of the things done. Most Opposition members have pointed out time and again that many of the bodies set up by the Government are not responsible to Parliament, and it is all part of a deliberate plan to enable the Premier to say that as an organization is not under Government control it is not responsible to it, but when something commendable is done by that organization he always seems ready to take the credit. The rents at the Gepps Cross hostel are very high, although I do not complain about them.

When I took a deputation to the Premier recently he pointed out that the present rents had to be retained because maintenance had proved much higher than had been expected of acts of vandalism. We read in the press about the vandalism but because there are no backyards to houses, and children can go anywhere, maintenance costs are high. The Premier uses this as the reason why the high rents should be

retained. Recently I learned that the trust is obliging tenants to pay for breakages to windows and other necessary maintenance work. Generally speaking, I think the landlord is responsible for the maintenance of his house except when there is gross negligence or a deliberate act on the part of the tenant. I have heard of a person being charged with the cost of repairing a window broken by a boy hitting a cricket ball from 50 yards away. If rents have to be kept up to a figure that will enable the high maintenance to be met, the revenue obtained should be used to pay for ordinary maintenance.

Last weekend there was a procession through Port Adelaide and it was pointed out then by some of the business people that there was a need for a through bus service along Grand Junction Road from Gepps Cross. A large number of people living in the northern suburbs work in the Port Adelaide area and have to travel along Grand Junction Road to get there. Now they have to go to Adelaide and then to Port Adelaide and use public transport, or use their own conveyances or ride in the vehicles of neighbours. A through bus service would enable them to get to work more easily. I took the matter up with the Tramways Trust and received the same old reply that no buses were available. In this instance there is a private bus operator prepared to run a service down there, but he knows he will not be permitted to do so because for the last three miles he would be competing with a Tramways Trust bus. Obviously he would not operate for portion of the route, so all those people I have mentioned are compelled to do without a service. The trust should make it clear that it will not deprive residents of a service which the trust admits they are entitled to, but which it denies a private operator the opportunity to provide. My claim is that the trust should take over all private bus routes. I do not know whether the private bus owner would make the Port Adelaide route to which I referred pay, but at present he is operating profitable services to Kilburn. My view is that he should not be permitted to do that when the trust is losing hundreds of thousands of pounds a year and the money has to be made up by taxpayers. The service to Port Adelaide is justified. It would be a great boon to that city and also to the people living in the northern suburban areas and would to some extent ease the burden on the overcrowded Adelaide shopping area.

Mr. HAWKER (Burra).—I agree with the Treasurer that although in recent years South

Australia has been prosperous there are a few rocks ahead. Overseas prices for our products have started to fall slightly and, with the exception of wool and meat, our exports are not now very profitable. Over the years we have considerably increased our primary production and this with less labour than was employed previously. We have got away from the small peasant farm and the days when a man before breakfast got up to groom and feed his horses and then after a long day's work had to feed them again late at night. We are now progressing towards the mechanized farm, which in turn means bigger farms. At the same time it has provided a much better standard of living for the rural worker. As the result of mechanization and improvement in the fertility of the land, production is being increased with the use of less labour.

To a certain extent South Australia is governed by the decisions of the Grants Commission. As the Treasurer said, it does not appear that while South Australia is a claimant State it can expect more than a reasonably balanced Budget. The only possible way to get out of that difficulty is to burst the finance barrier so that we shall no longer be a claimant State. However, I hardly think that with our limited resources and limited area of good land that will ever eventuate. I agree with Mr. O'Halloran that we may be getting off balance as regards the number of secondary industries. All over the world secondary industries have always prospered at the expense of primary industries. The progress made by our South Australian secondary industries has been helped by the pool of sound labour in rural areas. I know many good men who worked in various rural industries who are now in secondary industries and, having tasted the fleshpots of the metropolitan area, are not likely to return to the country. As members know, I have opposed large expenditure on drainage in the South-East. I have visited the area several times since the proposal was first mooted and I do not think I have seen anything to alter my opinion. In fact the visits have been inclined to confirm my original opinion. As the result of tests made by the Waite Research Institute it has been shown that natural scrub uses 20 per cent less water than the actual average rainfall. In other words, surplus water has been built up over the years. Developed pasture areas use just over double the average quantity of water precipitated annually. It is only a matter of time when these water reserves will have been used up

and the rainfall will not be sufficient to make up the quantity of moisture extracted by the pastures.

Mr. Fletcher—What about the water which comes in from Victoria?

Mr. HAWKER—I have my doubts about this theory of water coming in from that State. Like South Australia, Victoria is putting down large areas of pastures and in time this will drain the whole country. At Biscuit Flat today one will see good pastures of Palestine strawberry clover growing on country which, when I saw it four years ago, was flooded. Once the ground is ploughed, plants start to absorb the water and the stored underground supply continues to decrease. As a result, in years to come that area will be short of water. Even Government officials down there say that if this land is to keep up higher production there must be spring flooding, and if the drainage continues as we were informed in Parliament four years ago, we shall be sorry the drains were ever put in. The position may be as at Booborowie, where the drains have been filled in. This year, in areas in the South-East where there has not been flooding and there is a water shortage, the drains are running good, fresh water into the sea.

Several members have referred to the Tramways Trust. The financing of that service naturally exercises the mind of Parliament. Some years ago it was a paying proposition, but now it represents a considerable drain on the Budget and I think it will continue as such for many years. I never agreed with the Treasurer's estimate that within five or six years the tramways would be paying for themselves. The trams do not pay because of our own prosperity. They are operating for a limited percentage of the population. Those who would normally use trams in the off-peak periods travel by car and the service is being operated mainly for peak periods. While that is so, considerable losses must result. The report of the committee which in 1952 investigated the Tramways Trust emphasized that there was no paying route run by the M.T.T. It stated that all but one or two routes operated by private enterprise were paying and said that those routes successfully operated by private enterprise would, if run by the trust, operate at a loss. A transport system run by private individuals can pay, but a large Government enterprise cannot and will not pay. It was emphasized in the report that these private buses operate under conditions, fares and time tables as laid down by the

trust. It is not a catch-as-catch-can system. In Perth half the travelling public is transported by private enterprise and the remainder by the Government. The Government there decided to collect a six per cent tax on the gross earnings of both private and Government transport services. The private services paid £79,000 into the Treasury, but because of the losses of the Government services they only paid £12,000. In other words, the private transport services paid more than six times the amount paid by the Government services although they only carried the same number of passengers. A big public owned transport system becomes unwieldy and subject to political pressure, whereas a small privately-owned transport system, operated by a person knowing the district and local conditions, can provide the necessary service at a profit. It has often been suggested that if fares were increased the traffic would be reduced and that if fares were reduced the traffic would increase and so would revenue. Where that has been tried it has not proved successful.

Mr. Frank Walsh—What would you do?

Mr. HAWKER—I would do as the committee suggested—hand as much of the system as possible over to private enterprise. Fares were considerably reduced in Hobart recently, but it did not increase the traffic or reduce the losses on the system. The same happened in Perth where penalty fares operated at week ends. The Labor Government, on the hustings, said that week-end fares would be reduced to the same rate as weekly fares. Traffic has not increased over the week-end, but the losses have. Frequent mention has been made of Melbourne trams in this House. I believe that Mr. Mickle, who was recently in that city investigating transport problems, stated that Melbourne is the only capital city in the world that is replacing buses with trams. Any person who has been to Melbourne recently will know that new tram lines are being laid in Bourke Street. There may be some justification for that. The permanent way in Melbourne is much newer than in South Australia and is in good condition. Their trams have many years of life remaining and it is not a matter of replacing them. The committee's report to which I referred earlier mentions that our system of rails, trams and workshops is completely worn out. The Tramways Trust has had to decide whether it will replace the present worn out trams and rails or whether it will install buses, and it decided to replace trams with buses. As far as I know the policy is only a gradual one; the trust does not intend to scrap serviceable trams

but will get the biggest possible amount of economic service out of the trams and rails before the replacement with buses. Transport authorities throughout the world have said that buses can be run, maintained and replaced much more cheaply than trams even though buses have to be replaced more often than trams. For these reasons, trams throughout the world are being replaced by buses, and they are much more flexible and can handle off-peak loads much more cheaply. Melbourne has fairly big off-peak loads but South Australia has not and buses can handle the traffic at these times much more cheaply than trams. Another important point is that at any time buses and bus routes can be handed over to private individuals. The amount of money available for running private buses is not particularly great but there is sufficient among bus operators working in Adelaide and the metropolitan area today to augment considerably all their services and take over a great deal more of the bus routes. In the report it is stated that private bus operators run their services at a profit whereas the trust would run them at a loss.

I will now deal with the question of highways. We must conduct research to enable better highways to be constructed, because our methods have varied very little since before the war. Although motor transport has advanced by leaps and bounds, roads have not kept up with it. Experts will have to face this problem. Metal that is nothing more nor less than rubbish is still placed on various roads. Surely we should have a department to test whether metal is good or not, because I have seen it placed on a road and within three weeks it has turned into powder and has blown on to neighbouring paddocks. In several cases where there have been three-chain roads a metal road has been made along one side. I refer particularly to the road between Spalding and Jamestown. For some reason another road has been constructed in the middle of the three-chain road leaving the old road that has been run over for years and years and has a sound foundation, in the middle at any rate. The new road is now worse than the old road that traffic is not supposed to use. Why could not the old road have been made up? It had a good solid bed, which I understand is necessary for a bitumen road.

I think I am right in saying that the Motor Vehicles Department is one of the most unpopular, although one of the most necessary, departments in South Australia. Recently I heard of a case in which it was desired that a

primary producer's vehicle, registered in the name of one member of a pastoral firm, should be transferred to the name of the firm. It was necessary to fill out seven forms; the seller had to sign twice, his name appeared twice, the buyer's name appeared eight times and he had to sign three times, the registration number appeared eight times and the engine number four times. In the Army we had a good name for that, but I will not mention it here or I might be called to order. Surely, in a matter as simple as this it should not be necessary to do all these things. Apart from all this, although the vehicle was to do the same work, it had to be reweighed. If an owner dies, his vehicle has to be reweighed before it is registered in the names of the trustees. This matter could be looked into with a view to making it simpler, because, as the Minister of Agriculture has mentioned, we must cut down our costs. Why should this man be forced to make a special trip to a weighbridge? It must be remembered that the vehicle will still be doing the same work. In some cases it might be necessary for a person to travel 100 miles to a licensed weighbridge. That is a bit too much.

We used to find in the Budget a line for research into spark arrestors on locomotives. There is no such line now, but I hope the Railways Department will continue its researches with a view to getting efficient spark arrestors.

I grant that we have had little trouble from fires recently, but only because the railways are using more oil-burning engines and diesel locomotives. However, most country goods trains, and many passenger trains, are still drawn by steam locomotives. There is not a flush of feed this season, but we shall have good seasons again and then the fire menace will re-occur. Much money is being spent on building hospitals and hospital quarters and we have talked about starting lotteries to get money for hospitals, but that is not the trouble today. The problem now is one of staff. I believe there are five or six hospitals in this State without a matron, and about half a dozen with only one trained nurse, which means that she is on duty 24 hours a day. Beautiful new nurses' quarters costing £23,000 have just been opened at the Burra, and as it is a nine-bed hospital the quarters cost £2,500 a bed, yet there is no permanent matron there. One sister is carrying on temporarily, and if she had not gone there the hospital would have had to be closed. Some doctors have pointed out the alarming fact that they could not send patients to a hospital because it was not staffed adequately. I support the first line.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 9.25 p.m. the House adjourned until Wednesday, October 27, at 2 p.m.