

**HOUSE OF ASSEMBLY.**

Thursday, August 30, 1956.

The SPEAKER (Hon. B. H. Teusner) took the Chair at 2 p.m. and read prayers.

**SUPPLY ACT (No. 2).**

His Excellency the Governor, by message, intimated his assent to the Act.

**QUESTIONS.****CONTROL OF CHEMISTS' CHARGES.**

Mr. GEOFFREY CLARKE—Will the Premier tell the House what basis is adopted to fix chemists' charges, which are being gazetted today for dispensing prescriptions?

The Hon. T. PLAYFORD—The Prices Commissioner went into the matter and considered that the 1954 basis was the one to adopt. Since the order was made, representatives of the pharmacy profession approached me and asked whether the charges fixed would be subject to consideration if a case were put forward to show that they were not proper charges at the present time. I told the deputation that if a case were submitted it would receive the consideration of the Prices Commissioner. The result, of course, would depend upon the investigation that would follow.

**MURRAY RIVER FLOOD.**

Mr. BYWATERS—Yesterday I asked the Minister of Lands whether, in view of the volunteer labour shortage during week days, the Government would employ some of Adelaide's unemployed in fighting the flood. His answer did not meet my requirements. Can he be more specific?

The Hon. C. S. HINCKS—Since my reply I am pleased to be able to report that yesterday afternoon, last night and again this morning there has been a good response of voluntary labour. In fact, I have been able to arrange for a team of 60 men to go to the Jervois area on a volunteer basis for the next 11 days, excluding weekends. Several football teams—parties of up to 30 men—are going into the Jervois area and it appears that for the present, at least, we shall have sufficient volunteer labour. Right through the fight we have been securing a good type of worker. Many young school parties have performed excellently and at present I see no reason for departing from the system we introduced and which is now working most satisfactorily.

Mr. DUNNAGE—Can the Minister say whether the Government has considered sending the Government Photographer to the flood areas to make a permanent moving picture record of what has happened so that the film can be shown throughout the State?

The Hon. C. S. HINCKS—Consideration has been given to this matter and Cabinet agreed for aerial photographs to be taken of the entire flood area so that a permanent record might be obtained. That work is almost complete and some of the prints are now being developed.

Mr. HAMBOUR—Last week I went to a picture theatre and witnessed some views of flood devastation, but I feel sure that those pictures were of the Maitland flood. Would the Government reconsider the matter and have a motion picture taken to be exhibited in the suburbs and country districts not associated with the floods?

The Hon. C. S. HINCKS—In reply to the honourable member for Unley I overlooked mentioning that Cabinet has also agreed to one of the big picture companies taking pictures of the whole of the flooded areas, and I believe that at a later date when this company has a full picture it will be shown to aid the Flood Relief Appeal.

Mr. QUIRKE—Constant appeals have been made for bags for flooded areas, and the response has been good, but in the wheat growing districts of South Australia, such as Hart, Brinkworth, Snowtown and other places, where wheat is now handled in bulk, there are thousands of empty bags. Farmers are being asked to supply bags and as their stocks have been exhausted they are wondering why some of the bags belonging to the Wheat Board cannot be made available. I am sure there must be some answer—I can think of one myself—but it should be made public. Can the Minister of Lands give any information on this matter?

The Hon. C. S. HINCKS—This matter has been mentioned to me by quite a number of people. These bags belong to the Australian Wheat Board, not to the South Australian Government, and therefore we are not able to help ourselves. Some weeks ago I spoke to the South Australian manager of the Wheat Board, and he has taken up with the General Manager the question of donating some bags to flooded areas. So far this has not been approved by the board, but I have made definite arrangements with the board to hold in reserve a considerable number of bags that

we can pick up at 10 minutes' notice to be rushed to any point where they are needed.

Mr. JENKINS—I was pleased to hear the reply given by the Minister of Lands to the question asked by Mr. Bywaters in relation to volunteers prepared to help at Jervois. I understand that one of the problems facing the settlers is the patrolling at night, and that they intend to reduce the distance from two miles to one mile. Can the Minister say whether any of the volunteers are for patrol work at night?

The Hon. C. S. HINCKS—I do not know whether they have volunteered for that work. I suggest that the honourable member communicate with the officer in charge of operations at Jervois with a view to contacting some of the volunteers to see if they will do that work. I appreciate the honourable member's question because I know that all the settlers in the locality have used up practically all their energy in the past few weeks in the fight against the flood and that they require assistance in their work. They have their dairies to attend from early morning to late at night, and then taking on patrol work at night is a difficult job. What they require is to go out in pairs—one settler with one volunteer to assist.

#### DRIVING HABITS.

Mr. TAPPING—On May 22 I asked the Chairman of the State Traffic Committee whether his committee would consider the dangerous practice of some drivers in permitting their elbows to protrude through car windows. He promised to refer the matter to his committee. Has he a reply?

Mr. GEOFFREY CLARKE (Chairman, State Traffic Committee)—I did discuss this matter with several members of my committee and they agreed with the answer I gave on May 22 that it was a dangerous practice, but one that ordinary road courtesy would take care of, and that the Traffic Code should not embrace every conceivable kind of offence against good manners and good behaviour on the road. I said publicity would be given at an appropriate time to the danger of drivers extending their elbows from their cars and also of permitting small children to wave their hands through car windows, as this could be mistaken for drivers' hand signals.

#### LAMP COWLS ON MOTORS.

Mr. COUMBE—Will the Chairman of the State Traffic Committee inform me whether that

committee has been approached to consider the desirability of banning the fitting of headlamp cowls on motor cars as they may, in some instances, be excessively dangerous to pedestrians in the event of motor accidents?

Mr. GEOFFREY CLARKE—No, but in any case the committee has no authority to ban any device and makes recommendations to the Government only when thought necessary.

#### MOTOR CAR PRICES.

Mr. STOTT—It has come to my notice that some of the second-hand car dealers are charging exorbitant prices to New Australians, some of whom are unable to understand or speak English. A case was brought to my notice only a few minutes ago by a person well-known to the Premier. He is sponsoring the matter on behalf of the unfortunate New Australian. It appears to me from the documents that the New Australian was charged £1,550 for a car listed on the market at about £1,140. Will the Premier investigate this case if I hand him the documents?

The Hon. T. PLAYFORD—It would be a private transaction between two citizens and the Government would have no standing in the matter, unless it were alleged that there had been some fraudulent action, when a complaint could be sent to the police for investigation. If it were purely a question of judgment as to the value of the car the Government, the police or any other authority would have no right to question it. If the honourable member looks at it in that light and considers it a fraudulent transaction, and is prepared to send it along under the circumstances, it can be investigated.

#### PORT LINCOLN WATERFRONT LABOUR.

Mr. STOTT—Has the Minister of Agriculture a reply to the question I asked on Tuesday regarding the position of labour on the waterfront at Port Lincoln?

The Hon. G. G. PEARSON—As promised, I arranged to get the information for the honourable member and the officer in charge of the South Australian Branch of Australian Stevedoring Board reports under date August 29, as follows:—

1. Port Lincoln waterfront strength as at 29/8/56—182. Quota—200. Therefore, a shortage on quota of 18.

2. In his opinion there is no urgency to increase strength to quota because quite a number of men have been on attendance money recently.

# SITTINGS OF THE HOUSE.

Mr. GEOFFREY CLARKE—Does the Premier intend to ask the House to sit at night next week and to make the customary adjournment for Show Week, and if so, for what period?

The Hon. T. PLAYFORD—The Government would be pleased if members would arrange to be available to sit at night on Tuesday and Wednesday next week, perhaps somewhat later than the House has sat this week. We are not progressing very fast with the programme before us. It is proposed to adjourn next Wednesday evening and not to sit during the following week, which is Show Week.

# TONSLEY RAIL SPUR LINE.

Mr. FRANK WALSH—Has the Minister of Education, representing the Attorney-General, a reply to the question I asked on Tuesday concerning a certain statement the Attorney-General was reported to have made on the acquisition of land for the Tonsley spur line?

The Hon. B. PATTINSON—The press report to which the honourable member referred is misleading in that certain paragraphs of a recent luncheon address by the Attorney-General were published out of their context, thereby creating a wrong impression. In giving an address entitled "The Office of Attorney-General," the Minister gave an illustration of some of the types of legal problems with which the Crown Law Department has to deal. The question of acquisition of land for the Tonsley Park rail spur line was one of the illustrations used, but the complete speech did not suggest that the Government was experiencing any difficulty in dealing with this matter, nor, in fact, have any unusual difficulties arisen.

# PERSONAL EXPLANATION: LOTTERY BILL.

Mr. FRANK WALSH—I ask leave to make a personal explanation.

Leave granted.

Mr. FRANK WALSH—In this morning's *Advertiser*, under the heading "Premier slates Bill on South Australian Lotteries," reference was made to "the provisions of Labor's Lottery and Gaming Act Amendment Bill." I desire to have it clearly understood that this is a social question. The measure does not represent Labor's policy; it was introduced by myself as a private member and all Labor Party members are free to support or reject it.

# MOTION FOR ADJOURNMENT: HOSPITAL CHARGES.

Mr. O'HALLORAN (Leader of the Opposition)—I move—

That the House at its rising adjourn until next Tuesday at 1 o'clock,

for the purpose of discussing a matter of urgency, namely, the proposed imposition of charges in respect of Government hospitals. In support of the motion I desire to be as brief as possible, for I recognise that the motion is important to many members and I would like them to have an opportunity to speak if time permits. Members are aware, of course, that the time available for debating motions of this nature is until 4 p.m. The proposal to charge fees for services provided in Government hospitals is a matter of urgency because it represents a sudden and severe change in policy even for a Liberal and Country League Government. We know that the present Government has not imposed hospital fees on patients in country hospitals up till now, and I think we are entitled to a much better explanation of this matter than the sketchy statements made from time to time either by the Premier or the Chief Secretary. It is also urgent because the fees are to be imposed as from Monday next. Any action which the Government might agree to take as a result of the representations which will be made and the very strong arguments which will be adduced in respect of this motion will have to be taken immediately.

I make no secret of the fact that in moving this motion I am endeavouring to induce the Government to continue to give effect to Labor's policy in part, because they have in fact been doing so for some years. Our policy is that hospitalization should be free to the patient. I believe that treatment in Government hospitals should be free, and that the whole of the hospital system of the State should be so co-ordinated that patients in all hospitals should be treated free of charge. Indeed, this was the whole basis of the Chifley Government's policy when it introduced hospital benefits, because it intended that hospitalization should ultimately be free. It is a most retrograde step for this Parliament to permit charges to be imposed when they have not been so imposed for many years past. Unfortunately, the Chifley Government was defeated. Despite its splendid record of achievements and its promise of even greater achievements, the people, in a holiday mood following the successful conclusion of the war, were prepared to accept any specious promise made by the opponents

of that Government, irrespective of the possibility or practicability of its being carried out.

It means that the modicum of free hospitalization which we had in South Australia has ceased, and this will result in great burdens being placed on the ordinary citizen who has the misfortune to become ill. We believe that the health of the people is of prime importance. It is not only a question of humanitarianism but a matter of sound economics that our people should be maintained in the fullest possible standard of health. Every member knows from experience that people who have become inmates of subsidized and community hospitals in country areas have always had to pay. I do not agree with that policy, and I stress that one aim of the Chifley Government was free hospital services to all citizens.

We all know people who, because of the cost of hospital treatment, allowed illnesses to develop with the result that their absence from work was prolonged and in some cases their deaths were hastened. The Opposition does not claim that hospital treatment can be made free by the waving of a wand, but that it should be made free from the proceeds of a social services fund contributed to by taxpayers in accordance with their ability to pay. That would be a much fairer and more humanitarian scheme than the willy-nilly proposal submitted to us this week. Some statements have been made in the press, and the Treasurer stated in the House, that unless hospital fees were charged the State would be penalized by the Grants Commission. I have examined the commission's last report, but could find no such suggestion. From a cursory glance at the report it seems it is not so much a question of being penalized as a question of balancing the comparison between South Australia and the non-claimant States. As I understand the position, the average cost of social services in those States is taken as the basis for budgetary considerations for the rest of Australia, and if a claimant State like South Australia spends less than that average it receives a favourable adjustment in the special grant.

Mr. Dunstan—But that is not allowed to put a claimant State into credit.

Mr. O'HALLORAN—No, but it supplies it with a favourable adjustment in determining the amount of grant that the State should receive. The imposition of hospital charges will mean that the net cost of social services to the State will be reduced by the amount collected therefrom, and the State's revenue will benefit as a result. In effect, the Treasurer

will be helping to balance his Budget by charging patients in Government hospitals. If he should succeed in doing so it will be at the expense of the sick in this State. Differential charges are to be imposed under the scheme. There appear to be some anomalies associated with these charges, but I shall not deal with them this afternoon. It was stated by the Chief Secretary in the Legislative Council that a means test was not to be introduced because of the cost of administration. That may be a perfectly reasonable and sound reason, but I fail to see how it will be possible to administer a scheme under which we are assured rebates will be granted in all cases worthy of consideration unless there is some form of means test. In this respect there is a very significant paragraph in a leader in the *News* yesterday, as follows:—

It is to be hoped the investigation of applications for remission of part or all the fees will be made with scrupulous tact and consideration, not the rough-shod intrusiveness sometimes adopted in such cases. The almoners or other welfare workers chosen for this task should be screened and chosen with the utmost care, and their names and qualifications made public.

That sums up the position very effectively. We all know of the multitudinous complaints received in the old days when a somewhat similar system applied to the one now to be introduced. I know it has been stated that people can insure to provide for hospitalization. Of course they can, but to people with moderate incomes that becomes onerous. Also there are certain types of people who, according to my information, are not covered by insurance. For instance, there are many in the community suffering from chronic ailments or ailments which may be considered possible of recurrence, and I am informed on fairly good authority that that type of person cannot insure. So, here there is a possible field for quite a considerable number of very worthy people with very moderate means being unable to insure to provide for hospitalization. They will have to meet the charges under the proposed scheme.

I appeal to the Government even at this late hour to reconsider the position. I suppose the Premier will tell the House that some of the Labor-governed States have been charging fees for public hospitals for some time. I believe that is right. If we take this retrograde step the Labor governed State of Queensland will be the only one left where fees are not charged for public hospitals.

Mr. Jenkins—They will not be long. There was a paragraph in the press two days ago.

Mr. O'HALLORAN—I thank the honourable member for his timely interjection because otherwise I might have forgotten it. I heard the Premier and other members say in another debate that the Premier of Queensland had stated that he had reached the position where he would have to dismiss men. It was published in Tuesday's *Advertiser*, but there is no reference whatever to dismissals in Queensland as a result of its financial position. The Premier had called the heads of the various Government departments together to consider what economies were possible, and he asked for suggestions as to what additional methods of raising revenue could be undertaken to balance his Budget. That is a totally different picture from that painted in this Chamber during the last couple of days. Whether Queensland does or does not resort to charges in public hospitals is beside the point. A principle is either good or it is bad whether it is carried out by a Labor or Liberal Government. I suggest that the principle of free hospitalization is a good and humanitarian one and ought to be continued, and I appeal to the Government to continue it.

The Hon. T. PLAYFORD (Premier and Treasurer)—The Leader of the Opposition and his Party bring this matter forward as a question of urgency, despite the fact that a discussion on hospital charges has been going on for a considerable time. It was first mentioned at least six months ago that the Government would have to seriously consider imposing charges in many directions, including charges for hospital treatment, in order to help balance the Budget. I made a statement on this matter in the House deliberately in answer to a question last week by an honourable member opposite, and said that the matter was receiving immediate consideration and that Cabinet had decided to fix fees. Therefore, it comes to me rather as a surprise this afternoon that the matter now becomes one of urgency when we had plenty of time yesterday to discuss such questions as a Greater Adelaide, a lottery Bill and miscellaneous matters incidental to an amendment of the Federal Constitution. It appears to me that it now becomes a matter of urgency at a time only when Government business would normally be dealt with, but not when the business of members opposite is down for consideration.

I deny that this is a question which should come up as a matter of urgency, because it has been given full consideration. I had already stated that fees would be charged, and I had a schedule prepared as I expected members opposite would immediately ask what the fees

would be. We have been told that this matter has been introduced because a vital Labor Party principle is involved. The Leader referred to it as the Chifley hospital policy, which he asserts is a free hospital scheme.

Mr. O'Halloran—That is not quite what I said.

The Hon. T. PLAYFORD—I made some notes of what the Leader said. He said it was a vital part of Labor's policy that there should be free hospitalization and that such a scheme had to be contributed to by the taxpayers in accordance with their ability to pay. I was Treasurer when this free hospital policy was introduced. A memorial statue was erected in Adelaide about that time which bore at its base an inscription to the effect that, "This monument was raised by public subscription and donated by the Caledonian Society." That is the position with regard to the free hospital services provided by the Chifley Government for which the Opposition takes so much credit.

In 1945-46 when the scheme was propounded the charges at the Adelaide Hospital were 12s. 6d. a day for those who could afford to pay. The total cost to the State was then 18s. 7d. a bed a day. The charge was fixed at approximately two-thirds of the total cost and the overall cost of the Adelaide Hospital was then £297,404. The Federal Government said it wanted to provide free hospitalization and that it would contribute to the States the amounts they had collected in the previous year to enable such a service. The Commonwealth Auditor-General and his officers inspected our books and the Federal Government said it would contribute 4s. 10d. a day for free hospital services for everyone. A further 1s. 2d. a day was paid into a trust fund for building purposes. The total cost contributed by the Commonwealth was less than one-third of the State's costs, yet we have been told that the Chifley Government provided free hospitalization.

There was a severe inflationary spiral and the cost of the hospital to the State increased to £1,813,000—approximately six times what it was when free hospitalization was introduced. Today the cost is £4 12s. 2d. a bed. After pressure from the States, which could no longer afford to carry this burden with their limited resources, the Commonwealth granted us the concession that the 1s. 2d., which had previously been paid into a trust fund, might be used to assist in running our hospitals. We then received 6s. a day from the Commonwealth. However, as a result of further inflation, the Commonwealth increased the amount to 8s. a day for non-insured patients and 12s.

a day for pensioners and insured patients. In other words for general discussion purposes we can say that the State receives 12s. a day of a total cost of £4 12s. 2d. The Opposition has not told us where we can get the other £4. The only clue I got was that it would be contributed by taxpayers in accordance with their ability to pay. Members know that this State is not in a position to bring about that remarkable state of affairs because taxation on incomes has long since been debarred to us as a result of the actions of the late Mr. Chifley.

Mr. John Clark—The others appear to have stuck to it.

The Hon. T. PLAYFORD—I will come to that point directly. I like members to bring forward these topics because it affords an opportunity for discussing the problems confronting the State. I will exclude the flood, because that is not a permanent problem. Our main sources of revenue have been taken away from us. Under the old system under which the revenue of this State could be obtained by levying a direct tax on income, it automatically followed that when the Arbitration Court increased the basic wage the revenue of the State was automatically adjusted because of increased tax payments to meet the position. If we were then confronted with an additional expenditure of £500,000 a year because of an increase of 1s. a week in the basic wage, that increase in the wage meant that we collected £500,000 more in income tax. These things adjusted themselves.

Now there are no automatic adjustments and whenever there is an increase in the cost of services we can meet them only by increasing charges or introducing some new type of charge. There is of course the other angle mentioned by the Leader, something that Queensland is examining, of cutting down the scale of our services. These are the three things available to us.

I will now bring the matter closer to home. The Leader said that people should pay according to their ability to pay; his actual words were, "contributing according to the ability of the people to contribute." What is the present proposal but just that? It is proposed that people who go to the hospital and are in a position to pay shall contribute towards the cost of the hospital.

Mr. O'Halloran—And the person who is lucky enough to dodge hospitals pays nothing.

The Hon. T. PLAYFORD—That person is not involving the State in any expenditure. Why should a person who is not incurring any expenditure be involved in paying? What the

Leader said is not correct because, even if the sum of 35s. is collected—I will tell the Leader later how much will be collected—it is less than half the expenditure involved, which is £4 12s. 2d., so he will see that nearly £3 of the total expenditure still has to be contributed by the man who is not in any way interested in the provision.

Let me put it another way. The Leader envisages a state of society in which people with the ability to pay are taxed by means of income tax, but they could never get any advantages for the services for which they pay because our hospitals could never hold them. A large percentage of hospitals in Australia are private institutions that have to pay their way, so we have the unique position that our friends of the Opposition would deny the Government the right to collect a very small proportion of charges being incurred on their behalf by people who have the complete ability to pay. That is the case that the Leader puts for consideration in this House as one of urgency on a day that is not private member's day.

What does this amount to? Simply this—assuming that these charges were available to us for the full year, which they are not, because three months will have elapsed before they become operative, it is assumed that the total revenue would not be more than £200,000 in all Government hospitals in this State. This is all we could collect at the Royal Adelaide Hospital out of an expenditure of £1,800,000, yet these are the iniquitous charges that the Leader does not want levied! I know that members on this side of the House would not say that we should diminish the standard of services, and I do not believe any members opposite would say that; rather, they would like them to be improved.

I now come to the three alternatives, one of which is that we should make charges somewhere else. We have had experience of other Governments in such matters. Mr. Cahill, the Premier of New South Wales, was confronted with this problem. I might mention that he is already charging patients in State hospitals more than this State proposes. When confronted with not having sufficient money from revenue to meet expenses he imposed a savage increase on all public transport. I use the word "savage" advisedly; he increased charges by 50 per cent and the people who use the transport to go to and from work had to pay that. There was no question of ability to pay; if they did not pay they did not use transport.

In preparing the Budget we took the view that it was very much better for us to impose charges where they would not involve the worker in a disability in connection with his living allowance, because automatic adjustments of the basic wage have been suspended by the Arbitration Court. We felt that instead of putting on savage transport charges we would fix fees, if we could, to meet our position in ways that would not directly affect the worker. It would be possible to recast the Budget if Opposition members wanted it, but I do not think Cabinet would agree to any alteration. We could eliminate hospital charges but in order to do that we would have to reduce the amount to be made available to the Tramways Trust (which in the Budget this year will be £450,000) to £250,000 and tell the trust to increase its fares in order to make up the difference.

Mr. Riches—Why single out the Tramways Trust?

The Hon. T. PLAYFORD—I am going to single out others. A number of alternatives are available to the Government and they are alternatives that Labor Governments in other States have adopted in order to increase revenue. Our Government has taken the proper attitude and wherever possible will avoid increasing the cost of living. Most money is being lost in connection with transport matters and other Governments have used transport to get more income. All States, except Queensland and South Australia, are charging hospital fees higher than is now proposed. In the last 24 hours there was a press statement—I do not know whether it was authentic—that Queensland had decided to charge hospital fees. For the greatest possible time Queensland and South Australia have refrained from imposing hospital charges. South Australia cannot keep out any longer. After arranging for additional taxation, as will be mentioned in the Budget, South Australia will be £1,000,000 short of balancing its accounts. Taxation will be collected on miscellaneous matters. We have reviewed the fees in various directions. The utmost economy has been exercised, but there will have to be still more rigid economy. We have given directions in connection with the working of overtime. In hundreds of ways we are trying to cut down costs. We can budget on paper for a deficit but ultimately we must consider the cash position. South Australia has £3,000,000 in the bank, which is sufficient to keep the State going for only five days on normal expenditure.

Mr. Lawn—What has happened since the time you said the State was most prosperous?

The Hon. T. PLAYFORD—The State is prosperous. The honourable member should not confuse prosperity of the State with the finances of the Government. We cannot impose indirect taxation on incomes. We cannot impose sale tax or excise duties. However, we can increase water charges, and the rebate rate has been altered from 1s. 8d. to 2s. for each 1,000 gallons, and the excess water charge from 1s. to 1s. 9d. The assessments on which water charges are imposed have been increased considerably. Land tax can be charged by the Government, but the assessments have raised that tax to an unduly high figure. In some instances the Government is faced with the position of the land tax being more than the actual income from the property, so it is evident there can be no increases in this direction. If there were any criticism today of land tax it must be that it is already too high. Succession duties are already unduly high. Railway charges have been increased to an unsatisfactory degree. The railways get severe competition from road transport and because of the increase in the rail charges there has been a falling off in the quantity of merchandise and other goods carried by rail. There cannot be any more increases here.

Mr. Lawn—We have high charges and taxation in South Australia.

The Hon. T. PLAYFORD—Yes.

Mr. Lawn—Who imposed them?

The Hon. T. PLAYFORD—The honourable member knows that Parliament imposes taxation. We know that members opposite support such taxation so long as it does not fall on the particular class of people they believe they represent. Harbour charges have not been adjusted but Cabinet has directed that that must take place. Motor registration fees are already high. Interstate motor vehicles are registering in other States and travelling on our roads rather than pay our charges. For instance, they register in New South Wales for 25s. instead of paying £215 in South Australia.

Mr. O'Halloran—That is not Government policy in New South Wales.

The Hon. T. PLAYFORD—I do not think it is. We have not resorted to accepting the 25s., for we believe it makes a farce of the whole thing.

Mr. O'Halloran—We don't get anything now.

The Hon. T. PLAYFORD—No, but there are some disabilities in not being registered. They give all the advantages of registration for 25s., but I believe that is wrong.

Mr. O'Halloran—You cannot carry in New South Wales for 25s.

The Hon. T. PLAYFORD—No, but you can carry interstate. The position of entertainment tax has been suggested, but I remind members that is a C series index item.

Mr. Hambour—Do members opposite advocate entertainment tax?

The Hon. T. PLAYFORD—Judging from his interjection the member for Stuart (Mr. Riches) apparently does, but I do not believe that entertainment tax is good for it falls most heavily upon the people with limited incomes, including those who attend the picture theatres.

Mr. Riches—That isn't where you would get most of your entertainment tax.

The Hon. T. PLAYFORD—No doubt the honourable member would impose a class tax on the back stalls and exempt the front stalls. In principle I see no objection to people able to make a limited contribution to the hospital fees being called upon to make it. The proposed charges will have two effects. Firstly, they will make our Government hospitals more readily available to people in real need of accommodation because they will tend to make people who can afford to pay go to private hospitals instead of occupying badly needed beds, as is frequently the case at present. As a result of this our hospitals have been overcrowded and we have had long waiting lists of people in poor circumstances who, although unable to afford private hospital services, could not be admitted to a Government hospital. Whatever the charges in Government hospitals under the new schedule they will be much less than those of private hospitals. Secondly, the Chifley Government has been mentioned in this debate as the great advocate of free hospitals, but it never provided a free hospital.

Mr. Hambour—It provided only embarrassment.

The Hon. T. PLAYFORD—Yes, to State hospital authorities. In these days surely a mental hospital is just as much a hospital as a public hospital and no member would for a moment draw an invidious distinction between mental and public hospitals. What was the position, however, under the Chifley scheme? At the time of its inception 1s. 2d. per day was paid into a trust fund for each patient

in a public hospital, but only 8d. a day for each patient in a mental hospital.

Mr. Lawn—What are you getting from the Menzies Government today?

The Hon. T. PLAYFORD—Still 8d. I assure the Leader of the Opposition that this scheme will be administered sympathetically and that, if any member has a case brought to his notice that he believes has not received adequate consideration, my colleague the Minister of Health will personally investigate it to see that the principles in operation are humane in every possible way.

Mr. DUNSTAN (Norwood)—We have heard an interesting address from the Treasurer; it was interesting not so much for what he had to say but for the things he did not say. Labor members believe that the community should see that all people have a sense of security so that they know that if they fall on sick times they and their families will not want, and the only way that can be ensured is through a fully free hospital service. The Treasurer dealt with the Chifley hospital scheme, but he dealt with it in very different terms from those he used when introducing it to this House some years ago. When this matter was discussed earlier the Commonwealth Grants Commission was frequently mentioned; but we have heard nothing about the commission today. Although the Treasurer did not specifically say so, the impression he seems to have left amongst members is that the Grants Commission has forced the State into the position where it must charge fees in its hospitals.

The Hon. T. Playford—That is so, and if the honourable member will listen to the Budget Speech in the Commonwealth House of Representatives this evening he will see that that is correct. He is now referring to antiquated reports and should keep up-to-date when discussing the matter.

Mr. DUNSTAN—The other day the Treasurer said I was reading from an antiquated report, but I point out that it was the report made by the Grants Commission in respect of the 1955-56 grant. Surely that is not as old as the ark as the Treasurer would have the House believe, even though the Grants Commission always considers the budgetary period of two years previously when arriving at its decision. The Treasurer said I was dealing with the position of two years ago, but I remind him that the Grants Commission has not changed its principles during those two years. In order to ensure that the Treasurer did not possess information I did not possess, I took the trouble of contacting a member of the Grants

Commission who informed me that no statement or suggestion had been made at any time that the commission intended to alter its method of calculation of comparative social service payments and adjustments.

The Hon. T. Playford—They have departed from a balanced budgetary standard.

Mr. DUNSTAN—I will deal with that in a moment. If the Treasurer will allow me to put this matter to the House he will come to the conclusion that I know a little bit about it. The honourable the Treasurer is never impressed with things that are not pleasant to him. According to last year's report of the Commonwealth Grants Commission we had a favourable adjustment on social services of £1,306,000. That is the favourable adjustment which we could have had to put us in balance if we had spent the money; if we had needed that adjustment to put us in balance we could have got it, but we did not need it because we were in surplus. We therefore received no more than the amount which adjusted the balance. In other words, had we altered our State charges on public undertakings to the level of other States, and adjusted our State taxation to the level of other States, we could have had £1,306,000. If we had not put up our taxation charges and charges on public undertakings we still could have got £456,000. But we did not, because we did not provide the services.

In comparing the services of this State with the other States the Treasurer has conveniently overlooked another item. In examining the comparative costs of the States on social services the Grants Commission examines net costs, and these net costs are arrived at after the deduction of charges for social services. During the 1953-54 Budget period New South Wales and Victoria were charging in public hospitals and yet the net costs to those States were greater per capita than the net cost to this State. In other words, they were spending far more on their hospital services than we were. The reason why people cannot get into public hospitals in this State is that we simply have not provided the services.

Mr. Hambour—Rubbish!

Mr. DUNSTAN—It is not. The honourable member may be interested to know that there are 232 people for every public hospital bed in this State, whereas in New South Wales there are 183.

The Hon. T. Playford—Our country hospitals last year on an average were only 50 per cent filled.

Mr. DUNSTAN—Quite so, and in that case how much worse off were the people of the metropolitan area than in the other States. The disparity between the position in the country and the city is far worse in this State than in any other. Our metropolitan hospital situation is ante-diluvian. It is as old as the ark, and even older, in the standard of service it is providing. No doubt the Treasurer will say that the position I am outlining will not obtain in the next period when this year's Budgetary situation is taken into account by the Commonwealth Grants Commission, because there will be a change from a balance to a standard deficit. I have no doubt that he intends to put up to the Commonwealth Grants Commission that he should be allowed to claim the added favourable adjustment on social services that he is going to claim after the imposition of hospital charges. After those charges have been imposed we will have by far the lowest net cost of public hospitals in the Commonwealth. The Treasurer is trying to use that to bring us into balance. On all previous principles laid down by the Grants Commission anyone can bet that they are not going to let him do it; they will not allow him to claim a favourable adjustment to put him in a better budgetary position than the other States; in other words, they will only give him a grant to bring him up to the standard deficit.

What is the Treasurer going to get out of these things? If the total that is to be raised in hospital charges is £200,000, where is the need to do it, because if he spent on social services up to the standard of the other States he would get that, even on a standard deficit?

The Hon. T. Playford—We will have to get the honourable member on the Grants Commission.

Mr. DUNSTAN—I am sure that I would be an adornment there.

Mr. Hambour—Let him give evidence.

Mr. DUNSTAN—I would be quite happy to do so. I have no doubt that the day will soon come when a member from this side of the House will be giving evidence before the Grants Commission. We are far more competent to do it than the present incumbents. The Treasurer is going to get £200,000 out of the people of this State who are sick, instead of getting it from the Grants Commission by providing an adequate service here. That is the difference. We only have to look at the free hospital scheme and the general principles

of the Party which the Treasurer has helped back into office in the Federal Parliament. Their principle is simply that of whittling away social services as fast as they can. They have the best situation possible in this State from their point of view because the average income per person is the highest in the Commonwealth, and the average level of real wages and the average wage paid to employed persons is the lowest in the Commonwealth. Those are the Commonwealth Statistician's figures. That, of course, represents the policy of the Liberal Party, because they believe in differential incomes to the greatest possible extent, and they do not believe in retaining social services.

The free hospital scheme was not a scheme, and never was enunciated as such either by the Leader of the Opposition or anybody else, for the Commonwealth Government to pay the whole costs of social services.

Mr. Hambour—Who told you that?

Mr. DUNSTAN—I will read what the honourable the Treasurer had to say about it when he introduced the free hospital scheme into this House. In the 1945 volume of *Hansard*, at page 862, the Treasurer said:—

If members study the agreement they will see that the whole basis of these proposals is not so much to assist State revenue, but to afford a benefit to patients either by providing free services or services at reduced costs.

The honourable the Treasurer would have us believe that the Chifley Government gave this State 6s. per day at the outset and that that was for all time. The Treasurer was introducing the Chifley Government's hospital scheme, and what he said in 1945 was:—

The effect of these paragraphs is that the Commonwealth will pay to the State in each year the sum of 6s. for every daily occupied bed in a public or non-public ward in a public hospital. The rate of 6s., however, is not permanent and may be altered from time to time by agreement between the Commonwealth and the State.

In fact, during the period of the Chifley Labor Government it was increased to 8s. It remained at 8s. thereafter under the L.C.P., with a slight exception. Let us read the statement in a circular issued by the Commonwealth Department of Health on September 5th, 1952. This is how the Liberal Government approached this problem of providing a service to patients in public hospitals:—

Basic principles of the scheme are that the Commonwealth benefits will not be payable unless a charge is made for the hospital treatment and that the Commonwealth benefits must not exceed the amount of the hospital charge payable by the patient.

Thereafter, by legislation, the Liberal Government provided an extra 4s. a day, but that was only to be payable if there was a minimum charge in the public hospitals of 18s. a day. They could get something less than 4s. if they charged between 14s. and 18s. a day, and that is the only increase in the benefit that has been offered. In other words, during the period the Chifley Government was in office increased payments were made to the States in order to see that the full amount of benefit to patients as originally designed was achieved but the Liberal Government, supported by members opposite, have whittled it away under inflation and sought to reimpose hospital charges in this State.

Mr. Riches—When the scheme was introduced the Premier said the 6s. a day would allow 1s. towards capital expenditure.

Mr. DUNSTAN—Yes, but our hospital services have not kept pace with those of the other States during this Government's term of office.

Mr. Riches—Nor has this Government kept faith with that agreement.

Mr. DUNSTAN—That is true. Social service spending in this State is 12 per cent below that of the non-claimant States; now the Treasurer says we have to charge public hospital patients to put our Budget in balance. Labor Governments in other States had to depart from the principle to which they were wedded and charge for hospital services because they were providing a service. This Government has not, and now it says it has to charge because the other States do. The position brought about by this Government is fantastic, and now it is proposed to again have a man with a little black book to go around and ascertain whether the people in the wards are able to pay the fees that have been announced.

The Treasurer referred to the means test imposed before the Chifley Government's legislation. The Chief Secretary's statement did not say, but I suppose we are to presume, that the same basis is to be adopted. The Treasurer made much of the fact that he had a schedule regarding hospital charges with him but that no member had asked for it, but as soon as he gave an irrelevant answer to a question by a member on this side of the House and announced that hospital charges were to be made members were on their feet at the first opportunity. The Treasurer said at the time that the member for Norwood did not wait until the scheme had come out before criticizing it, so we were led to believe that the scheme was not ready. Later, when an

announcement was made in the press, we asked questions and he said he had had details of the scheme before, and that we had not asked for it. Apparently, the press got it first. He was extraordinarily secretive about it, and he can hardly charge us with lack of interest. As is always the case, an attempt has been made by the Government to take people's eyes off the real principles at stake, and that is what the Treasurer has been doing. The Treasurer said that hospital charges would make more public hospital beds available to the people who needed them, but people will still be able to go to public hospitals and pay; in fact, they will pay a little less than the charges at the best private hospitals.

Mr. Hambour—Do you say that the Royal Adelaide Hospital is not as good as the best?

Mr. DUNSTAN—It is not as good as the average in other States. I do not know whether the honourable member has any knowledge of the Prince Henry Hospital, Melbourne, but if he saw it and compared it with the Royal Adelaide Hospital it might open his eyes. Since no means test will be imposed for entry into Government hospitals the scheme will not make one more bed available to the poorer people, and the Treasurer's explanation was only another excuse for the Government's inaction. The real issue is that the Government, for Budget purposes, is going to take money unnecessarily from the poorer people who need the inadequate services that the State already provides, and more besides. What the Treasurer should do is to budget for adequate social services and make a claim on the Grants Commission, not tax the poorer people because they are sick.

Mr. HAMBOUR (Light)—The member for Norwood (Mr. Dunstan) made one statement with which we all agree, that we hope that at some time there will be free hospital accommodation for all. He spoke for a long time about the Grants Commission, and the House must decide whether to accept the Treasurer's statements or those of the member for Norwood. Mr. Dunstan also said that we need more hospitals and that some day a member opposite might be Treasurer. It would be interesting to see his struggles with other Labor Treasurers at meetings of the Loan Council when he tried to get Loan funds to build hospitals.

Mr. Dunstan—The other Labor Treasurers have done it.

Mr. HAMBOUR—I doubt whether it would be possible for any Treasurer to get more than

what has been apportioned to our Treasurer. I wish good luck to any man at the Loan Council meeting in trying to induce the Australian people to increase their contributions so that more hospitals can be built. The Prince Alfred Hospital is a very good one, and there are other good hospitals all over Australia. Some parts of the Royal Adelaide Hospital are excellent. I admit that it is not all that could be desired, but it is serving the community and I know many people who have been most grateful for the treatment they have received even in the rabbit warrens referred to by the member for Norwood. Unfortunately, members opposite are playing on the poorer sections of the community all the time and accusing the Government of taking money from them. They say there has been no means test for patients at our Government hospitals, but do they know the ramifications and methods of charging? The methods adopted when investigating patients' financial affairs are quite humane and reasonable, and the poorer people are not charged. I shall not dwell on the remarks of the member for Norwood long because I want to remain civil. The proposed hospital charges will apply to patients at the Royal Adelaide, Barmera, Port Pirie, Port Augusta, Port Lincoln, Wallaroo and Mount Gambier hospitals. I have often been charged with being partial to the country, but if members are fair they will admit that it is only right that all the people of the State should receive equal treatment. We must do the best we can with the means at our disposal. The charge of 35s. a day to be imposed at the Royal Adelaide Hospital will still be considerably lower than the charge in country hospitals. There has been much reference to the Chifley plan of 1945. When it was first introduced hospitals were asked if they would supply free beds on a Commonwealth contribution of 6s. a day. I am associated with a 24-bed hospital and it agreed to make eight public beds available. Any patient entering that hospital was entitled to a free bed on application. That was part and parcel of the agreement. A patient entering hospital had to be magnanimous to refuse a free bed.

Honourable members opposite must be acquainted with what went on under the Chifley plan. The present Federal Government was chided for changing that scheme, but it was not altered so much by the Federal Government as by the clamour from the hospitals themselves for alterations to the conditions. Until the conditions were changed those who were parties

to the agreement were bound to give free hospital services for 8s. a bed a day, and it was only by the generosity of the State Government, which sacrificed some of its portion and increased the grants to country hospitals, that these hospitals were able to carry on. All that the Federal Government did was to release them from the obligation to provide free beds, which they could not afford to do. What I have said is factual and applied to 48 hospitals in this State, not one of which could bear the financial strain placed on it. It is to the Federal Government's credit that these hospitals were released from the obligation to provide free beds. The Chifley scheme was free hospitalization in name only. It was never suggested at any time that any hospital could provide a free bed for 6s. a day, and I do not think that one honourable member will suggest that it could be provided for even 12s. a day. I should say that the lowest figure in any hospital in the State would be nearer £2.

Much has been said about insurance. Those schemes operating today are quite liberal and not expensive and will provide approximately £1 4s. a week toward the payment of hospital accounts. By virtue of the fact that in South Australia councils contribute to hospital services in the country, the Federal Government is paying only 12s. a day per occupied bed. There again the people are receiving an additional concession. With that 12s. a day and insurance payments they can step up their receipts to 24s. a day, which should assist them greatly in meeting their hospital commitments.

Mr. Dunstan had much to say about there being no means test and the poor people having to pay. I am certain that those administering the Royal Adelaide Hospital are just as sympathetic and humane as those in any other hospital. A patient will be admitted to hospital whether he is going to pay or not, and at the conclusion of his illness an assessment will be made of his ability to pay. That has been State-wide for many years, and I should like any honourable member opposite to tell me why it should not apply to the public hospitals throughout the State. It must be an embarrassment to some members opposite to know that they have hospitals in their district where patients have to pay. I feel sure that those people would take a member to task if he openly said that they should have to pay while those in other areas of the State received free hospital treatment. The Government's proposal is not so much a revenue raising one.

I discussed this matter in my Address in Reply speech, but at that stage had no know-

ledge of what was to happen. My point of view then was and still is that all the people in South Australia should bear their portion of the cost of our hospital services. The action of the Government is only just and fair. It will result in adding about £200,000 to its revenue. Its action should be commended and not decried, like it has been by members opposite. They are protecting only one section of the community, but I hope they will look at this question on much broader lines and accept the proposition.

Mr. FRANK WALSH— (Edwardstown)—I support the remarks of my Leader. On May 24, I asked the Premier whether the Government proposed to apply charges at the Queen Elizabeth Hospital. He indicated that the question would be examined when the Budget was brought down, yet members have to rely for information in the press concerning what the Government is going to do. In 1941 patients at the Bedford Park hospital who were receiving an invalid pension of £1 1s. a week had a charge of 15s. 6d. imposed by the State Government. No provision was ever made for free hospitalization until the Curtin Government and then the Chifley Government took action. The Premier referred to the Commonwealth contribution which was originally 6s. a day and which is now 8s. for non-insured patients and 12s. for insured patients. I always understood that these contributions were intended as a concession to assist sick people in meeting their hospitalization costs. Sir Earle Page was the instigator of the later move which provided that unless a person was insured through an approved organization he could not secure the full Commonwealth benefit and could not qualify for the additional 4s.

I can foresee complications arising from the health insurance scheme. On many occasions I have questioned the Premier about the organizations offering hospital benefits and have endeavoured to ensure that contributors are protected from exploitation. However, the Premier has never attempted to enact legislation to protect people from organizations that are not approved by the Commonwealth. Those who subscribe for hospital benefits should be fully compensated if they are obliged to go to hospital. Unless they have that assurance there may well be a falling off in the number who insure for this purpose. I sincerely trust that we have an opportunity of further considering this matter and that the Government has the decency—

The SPEAKER—Under Standing Orders, as the time limit for such motions has expired, the motion is withdrawn.

Motion withdrawn.

#### LOAN ESTIMATES.

In Committee.

(Continued from August 29. Page 466.)

Grand total, £28,135,000.

Mr. BYWATERS (Murray)—I would like briefly to refer to the housing position. I listened with great interest to the member for Light (Mr. Hambour), but did not agree with everything he had to say, particularly when he said that many people today purchased motor cars in preference to houses. He said that people could not afford both and should obtain houses before they purchase motor cars. He said that the money they spent on motor cars would be sufficient for home deposits. I disagree with that contention, because many people realize they can obtain a motor car on hire-purchase for a deposit of £300 or £400. Many have saved money over long periods with the object of purchasing homes and I think most of them were hoping that a Labor Government would gain power so that they could benefit from Labor's policy of providing homes for a deposit of £500. Unfortunately the Playford Government continues in power and that is impossible. Realizing they would not be able to save sufficient for a deposit on a home they secured motor cars on hire-purchase and enjoyed some benefit from their savings. They cannot obtain houses with the small deposit they put on their motor cars. I know of a number of people who would willingly sacrifice their motor cars if they could purchase homes on a low deposit.

I am rather perturbed at the higher interest charges which have been responsible for increasing rentals. I do not criticize the Housing Trust because it is doing its best, but I regret that the rental of new houses has been increased by 10s. a week with the result that working people are compelled to pay the 10s. they received from the recent basic wage rise back into rent. Some are experiencing difficulty in meeting the high rents. There are 10 new homes in Murray Bridge, the rents for which are £3 2s. a week. I know of at least one man who is receiving slightly more than the basic wage who is finding it impossible to afford that amount for rent. There would be many in such a position. More would apply for Housing Trust homes if they were assured they could afford the rentals charged.

A rental of £3 2s. is rather high for people in the lower income bracket, so the Federal Government, by imposing higher interest rates, has made it rather difficult for these people to apply for these homes. Trust homes in Murray Bridge have been very welcome, but we require more. Possibly after the floods we will require still more than at present because many people who have been occupying shacks on the river bank will have no homes, and that may happen in other parts of the Murray area.

I will now deal with remarks made by the honourable member for Rocky River (Mr. Heaslip). He criticized the extra charges levied for electricity at Melrose and Wilmington. I sympathize with him on this score because I believe that the people in those towns should have the same concessions as people at Port Augusta, Port Pirie or Adelaide. The same applies to other parts of the country. During this debate other members have aligned themselves with the abolition of surcharges on electricity, and I believe these surcharges should be abolished. People in the country, whether they live at Wilmington, Melrose, Mannum, Murray Bridge or anywhere else, should pay the same for electricity as people in other parts of the State. I hope that members opposite will bring pressure to bear on the Government to have the surcharges removed.

Mr. Brookman—How are you going to finance it?

Mr. BYWATERS—A small additional charge in the metropolitan area would more than make up for the surcharges.

The Hon. G. G. Pearson—You would advocate that?

Mr. BYWATERS—Yes.

The Hon. G. G. Pearson—What about competition by gas, for instance?

Mr. BYWATERS—I am not aware of the competition; I believe people would prefer electricity to gas.

Mr. Heaslip—My objection was that one country town gets electricity at metropolitan rates, whereas an adjoining town has to pay higher rates.

Mr. BYWATERS—I object to that too, and also to towns in other parts of the State having to pay higher rates. I believe that the same charges should prevail all over the State. Surcharges have stopped some people from having power although the lines go right past their homes. An instance of this is in the small township of Milendella, which has only a school, a church, and a few homes. The

people there were desirous of having electricity supplies, and I do not see any reason why they should be penalized because they are not living in the metropolitan area. They are close to some places that have electricity, and the power lines go right through the village, but they are excluded from having a supply because they cannot meet the surcharges. They were promised that they would get electricity supplies for a 94 per cent surcharge over the zoning charge and they intended to go on with the scheme, but one of the bigger users did not feel inclined to part with his own lighting plant in view of the surcharge. As a result the others will be excluded from obtaining a supply. These people are justifiably upset, particularly as the line passes through the town, but under the present circumstances the trust cannot provide a service to them.

Mr. Heaslip also mentioned the poor service he received from the railways. Once again I sympathize with him, because Murray Bridge is in a similar position. Although it is only 50 miles to that town it takes three hours to make the journey by rail. Diesel car drivers have told me that they could cut down this time considerably, but they have to stop longer than necessary at different stations to maintain the schedule. I commend the Government for its decision to purchase more diesel cars. I hope that soon there will be a full service of them to my area and that travelling time will be cut down. These cars are quicker and cleaner than steam trains and their use will give people an incentive to use the railways. I have been told that diesel locomotives cost £1,000 a month less than steam trains, so it is good policy to use them, and I hope more will be used on country lines in the near future.

I was pleased to hear the honourable member for Onkaparinga (Mr. Shannon), who is chairman of the Public Works Committee, mention various water supplies for my district. He said that the hundred of Finnis would receive water. In that area the underground water is not suitable for stock because the salt content is so great that it is said to be almost as salty as the sea. I believe this scheme has already been commenced and the people in the area will soon receive River Murray water. I am very happy to see this come about. Mr. McKenzie, who was at one time a member for Murray in this House, fought hard for a supply of water from the pipeline for this area and he would be pleased to see the people in the district benefit from

Murray water. The same applies in many instances in my district. Although the farthest point in my area is only 14 miles from the river many people there are seeking a supply of River Murray water. It is pleasing that Hungry Hill is to have an improved water supply. The Pallamana people are to get a supply, which will enable them to increase their stock-carrying capacity.

Court houses are to be provided at Taillem Bend and Murray Bridge. After taking evidence at Murray Bridge the Public Works Standing Committee satisfied itself that these court houses were long overdue. We are to have craft centres at Murray Bridge and Mannum. The Minister of Education told me that a centre at Mannum could not be provided last year but it is hoped to establish it this year. The Murray Bridge people were disappointed when they could not get one last year. There is overcrowding there and I am pleased that it is proposed to establish one this year.

Last week I asked the Premier a question about orange stealing at Mypolonga and he said that something would be done to prevent it. Last Sunday police patrolled the area and I understand that on that day there was no stealing because of the knowledge that the patrol was in the vicinity. I commend the Minister of Education and his staff, particularly the inspectors in the flooded areas, for the marvellous organizing work carried out in moving school children and providing temporary accommodation. This meant that many things outside the normal run of affairs had to be done. The officers rose to the occasion and wherever possible expedited the work. I support the first line of the Estimates.

Mr. JENNINGS (Enfield)—We have had an interesting debate on these Estimates. First, we had the Premier's explanation of them. It was merely an explanation because he enunciated no policy whatsoever. Then we heard a brilliant exposition from the Leader of the Opposition on Australia's economic position. It was one of the most lucid expositions on current economic matters that we have heard in this Parliament. Then we heard Mr. Hambour, who did not understand the position. Following him we heard Mr. Heaslip, who misunderstood the position. Then came Mr. Shannon, who misinterpreted it. I need not bother very much about Mr. Hambour's remarks, except to say that he showed either courage or foolhardiness in speaking after Mr. O'Halloran. I prefer to

describe it as courage. Not one member could have felt happy about following Mr. O'Halloran and the more experienced Government members, who have been ready to speak since, reneged at following him, so a relatively inexperienced member was forced into the debate. I commend Mr. Hambour for his courage but I think he has learned a lesson. Apart from that I do not think there is much to say about his remarks. With the honesty that he shows he would not deny that his remarks warrant no further comment.

Mr. Heaslip can be assured that whilst he was speaking, despite the temptation, I was not asleep. Despite the lulling atmosphere I did not succumb to temptation and I remained awake. I heard him say that we are living either in a dictatorship or we have private enterprise. I gladly admit that private enterprise is not a dictatorship but what he and most of his colleagues often glibly describe as private enterprise is dictatorship. In any case, apart from this we have a dictatorship in South Australia. I have said before, and say again, that the greatest advocates of genuine private enterprise are on this side of the House. Mr. Heaslip claimed that we have competition under an economy where we have monopolistic enterprises, combinations and associations designed to prevent competition and all the good things that good competition can provide.

In 1947 we heard about the competition that was possible between the various Australian trading banks, but I point out that they have a close organization that prevents any competition to the advantage of the persons dealing with them. Such large organizations as wool selling brokers have associations that prevent competition to the advantage of their clients. I could give innumerable examples of that because at one time I was employed in rather a humble capacity by one of South Australia's leading woolbrokers. I have seen innumerable cases where an ambitious country branch manager embarked on some programme to get business for his firm by performing a service to the advantage of clients, but immediately the branch manager of an opposing firm reported the practice to head office, it would be brought up at the next association meeting and stopped immediately. Consequently, what should have been genuine competition by the provision of a service to attract custom in the commercial world was impossible because these firms realized that they would all have to do something similar and compete in a way not to their advantage, although to the advantage of the people they

were ostensibly serving. In short, the real purpose of their existence is to serve not the public, but themselves.

Mr. Heath—Do you include the private buyers who go on to the farms?

Mr. JENNINGS—I am talking about the big wool brokers and not about the people who may make some sort of living in fields with which the big firms are not concerned, although it must be remembered that even in that case the product must go to the big firm, so it does not lose. Competition between these firms is completely frustrated. Recently in the press I read a report of a grocer in an Adelaide suburb who thought that, by increasing his turnover, he could sell certain goods at lower than current prices. His business did increase but shortly afterwards his association advised him that he would have to come into line or be denied supplies. It all boils down to the saying expressed not by a socialist but by a monopolistic capitalist of the highest order: "Where combination is possible, competition is impossible." Therefore, all this airy nonsense from the member for Rocky River about competitive private enterprise and the only alternative being dictatorship is unreal.

Mr. Lawn—He would be a bit of a dictator himself. He likes to sack the clothing boys and employ New Australians at lower than award rates.

Mr. JENNINGS—I could believe that, although I have no evidence. I thought Mr. Heaslip misunderstood the position, but perhaps not deliberately. Knowing the honourable member's form I believe his misunderstanding of my Leader's statements may have been the result of a genuine lack of capacity to understand. Mr. O'Halloran dealt with Federal financial matters, which was quite natural and proper in a Loan Estimates debate for we are concerned with the money we get from Federal sources. He complained about Australia's overseas borrowing, and surely all Australians have good reason to complain about it. The International Bank was established to assist undeveloped countries, but it now finds that its biggest borrower is the country that should be the most prosperous—Australia.

Mr. Geoffrey Clarke—But banks only lend to prosperous borrowers.

Mr. JENNINGS—That is so.

Mr. Geoffrey Clarke—Then it is greatly to our credit that the International Bank lends to us.

Mr. JENNINGS—It is certainly not to our credit that we must borrow overseas at all. We have sought loans not only from the International Bank but from countries which under normal circumstances should not be in a position to lend money to us. Of course, they do not mind lending it because they receive interest on it. We do not have to be prosperous to get loans from the International Bank; indeed, it was established primarily to help undeveloped countries.

Mr. Geoffrey Clarke—But only credit-worthy countries.

Mr. JENNINGS—Surely the creditworthiness depends on the purpose of the loan?

Mr. Geoffrey Clarke—It depends on the certainty of repayment and the present Commonwealth Government can certainly guarantee that.

Mr. JENNINGS—I admit that Australia is a good investment for overseas investors but I quarrel with the present Federal Government policy of borrowing overseas to the extent it has. True, in certain circumstances it may be necessary to borrow in order to purchase capital equipment for developmental projects, but it is certainly not necessary to the extent undertaken by Australia. Mr. O'Halloran explained that by the proper use of national credit we could avoid the necessity to hawk our financial requirements around the world seeking a few million pounds here and a few million pounds somewhere else. We have become a mendicant nation instead of one of the most prosperous.

The Hon. G. G. Pearson—Even if national credit were any good it would not provide us with any dollars.

Mr. JENNINGS—I think that is an entirely separate matter. I believe that at times we have expended dollars very unwisely, and that we purchased things from dollar countries when we need not have done so. Through indiscriminate laxity with regard to import licensing we have allowed things to come from dollar countries which we did not need.

Mr. Geoffrey Clarke—The Labor Government in New South Wales has borrowed substantially from dollar areas.

Mr. JENNINGS—We are talking about the Federal policy of borrowing overseas. The matter raised by the Minister in his interjection is something that concerns administration rather than policy. I am quite prepared to admit that we have been in dollar trouble and will be for a considerable time.

In fact, if the price of wool were falling instead of rising we would be in dire straits, not only with regard to the dollar situation but also in our trade balance generally. We can consider ourselves extremely fortunate that the price of wool is rising at the moment.

The honourable member for Alexandra gave an address in which he confined himself to the subject on which he is admittedly an expert and on which I am not qualified to comment. However, I wish to deal with an interjection he made when the member for Murray was claiming that the surcharges on electricity should be abolished. Perhaps there should be some closer relationship between electricity charges in the metropolitan area and the country, and I am quite prepared to admit that. The member for Murray said that one way in which this abolition could be financed would be a slight additional charge to all metropolitan consumers, but I am not saying that I agree with that. The member for Alexandra interjected and asked how we would be able to face up to competition from the Gas Company. I believe that this competition from the Gas Company is not nearly so great a threat as we have been led to believe. The easy and proper solution is, of course, to nationalize the Gas Company.

Mr. John Clark—And do it properly this time.

Mr. Coumbe—It would not reduce the price of gas.

Mr. JENNINGS—It would not increase it. The profit made by the nationalized gas undertaking could be used to subsidize electricity charges to consumers in the country. There is a statesmanlike solution to the problem, and one quite in accord with the policy of the Labor Party and in the best interests of all the people of this State. Indeed, it can be the only solution to the needs of many deserving people in the country who are now suffering grave hardship through the surcharge imposed as a result of the necessity for the Electricity Trust to balance its budget.

The Hon. G. G. Pearson—Does the honourable member think that the reduced cost of electricity was brought about by the Government taking over the Electricity Trust, or by the reticulation throughout the State?

Mr. JENNINGS—Surely the Minister knows that if the Government had not taken it over there would not have been any reticulation throughout the State.

The Hon. G. G. Pearson—Gas cannot be reticulated throughout the State, so I think the comparison is entirely irrelevant.

Mr. JENNINGS—I am sorry that the Minister missed the point. The interjection by the honourable member for Alexandra was to the effect that if the charge to consumers of electricity in the metropolitan area was slightly increased there would be a danger of the competition from the Gas Company.

Mr. Quirke—That is secondhand; the Premier gave that conclusion, and it is in his speech.

Mr. JENNINGS—I now turn to the remarks of the honourable member for Rocky River on the subject of interest rates. He stated that the great increase in interest rates over the last few years is something quite natural, and that the fluctuation is natural also. I have read that in innumerable books on economics which speak of it as the natural economic law. People have sheltered behind this whenever some change has been mooted or reform proposed. I remind members that when public spirited and humanitarian people in England were endeavouring to abolish child labour in the coal mines of England it was opposed most vociferously as being against the natural economic law. The same thing has applied through the years, and that argument was used against the 54-hour week and the 48-hour week and so on, against long service leave, sick pay, and any reform that has ever been proposed. The honourable member for Rocky River claims that we are in the position today when we cannot get money for public purposes when private companies—and although he did not say so I think he had hire-purchase companies in mind—were able to return high dividends. According to the honourable member we must therefore increase our loan interest rate so that we can get the money. Commencing during the regime of the Curtin Government, but more particularly during the regime of the Chifley Government, one of the most important and yet unpublicized achievements was the lowering of the interest rate. Interest is a good thing for those who are receiving it, but not for anybody else. Only a few people in the community are receiving interest to any extent. It is an incubus on the great majority of the people and serves the few who are getting it but giving precisely nothing for it. We do not need to increase interest rates: we can get all the money we need by using our own financial institutions. The trading banks of Australia are used by

private companies to finance their activities, so Government banks should be used by Governments to finance their undertakings.

Mr. Hambour—Who makes the money?

Mr. JENNINGS—The only people who make wealth are those who work and produce goods. To place our economy on a firm footing we must have a proper import licensing system. We have an expanding economy and a big migration programme. There is much agitation for reducing migration, but a country like Australia should be able to absorb migrants at the present rate. A proper import licensing system would enable everything necessary for our development and essential to the country's economy to be brought in continuously (not in fits and starts as now), and the rubbish and tripe that has been brought in when there were no import restrictions and which dissipate our overseas funds should be kept out, for they are of no use to the country. We should have an import licensing system similar to what we had during the war under national security regulations. We should also have a permanent system of Commonwealth price control. The States should cede the necessary powers to the Federal Government, but that is unlikely as long as we have undemocratically elected Upper Houses in some States.

Mr. Lawn—And Lower Houses too.

Mr. JENNINGS—Yes, in at least one State. If the States do not cede the necessary powers, the Federal Government should give the people the opportunity soon to transfer those powers for price control to it. All sovereign powers should be transferred to the Federal Parliament. I support what the member for Hindmarsh (Mr. Hutchens) said in that regard and what the Leader of the Opposition said when introducing another matter yesterday. We should also impose special taxation on excessive profits because that is the only way we can channel back into the spending power of the people the money they need to purchase what they are producing. Production in Australia has never been higher, yet we are suffering grave economic dislocation. This afternoon the Treasurer said that our real troubles arose out of prosperity, but that is something I cannot understand. It mystifies everyone that we are just reaching starvation point because we are so prosperous. We should increase our spending power, but this would not cause further inflation because that is caused by the fact that prices are not regulated. Prices are fixed according to the maximum that the seller can get. If we fixed prices now

they would be fixed at the maximum, whereas wages and social services are at the minimum.

I am pleased that the member for Edwinstown (Mr. Frank Walsh) advocated a construction and maintenance staff for the Education Department. I raised the same question about two years ago and thought that the Minister was rather sympathetic. I am sure he would be even more sympathetic now after having experienced a few years of the frustration he must be suffering by having to refer approved projects to another department under the control of another Minister. Nothing could be more inefficient than that. After he sends projects forward to the Architect-in-Chief's Department, through the Minister of Works, they become lost in the labyrinth of forgotten things that have been building up there for the last five years. Surely the Education Department has greater problems in construction and maintenance than any other.

If I may mix metaphors, the member for Onkaparinga (Mr. Shannon) was drawing red herrings across the trail and clouding the issue when he said the logical conclusion to the proposal for a construction and maintenance staff for the Education Department would be the establishment of similar staffs for hospitals, police and other departments. He tried to show that this would mean more Government departments, but the Education Department is in a special category in this regard. The creation of a special staff for all departments would not mean one more Government department but one less, because it would be the end of the Architect-in-Chief's Department as we know it now, and I do not think that would be a bad thing either.

The Hampstead Road from Northfield to the Grand Junction Road is now one of the busiest in the metropolitan area and is possibly the worst and most dangerous. Its upkeep is the responsibility of the Highways Department. I raised this matter by question on May 24 last and requested that an answer should be forwarded to me. It was not until June 26 that I received the following reply:—

By reason of the increase in traffic over recent years, there are many miles of main and district roads in the metropolitan area which need widening and strengthening. Hampstead Road is included in this group. The Highways Department is continually engaged in investigations of this problem (which include a census of traffic volumes and

the class of traffic—i.e., industrial or residential) and by comparison the correct priority of the various roads is determined. The survey of Hampstead Road will be undertaken as soon as staff can be detailed for the work. The department's responsibility is limited to the main part of the surfaced roadway. Shoulders, kerbing, footpaths and lighting are all the responsibility of the local authority, which can only deal with these matters in proportion to the rates received.

I consider that a classic example of platitudinous prolixity and ponderous pomposity, and I think every honourable member will agree. I do not know whether the Highways Department, despite all the things it is doing according to this letter, realizes the situation. For instance, there are no footpaths. The department may say this is the responsibility of the council. Pedestrians have to walk on the road, which is lit only on one side, and when two cars are approaching from opposite directions at night with headlights on it is impossible for drivers to see pedestrians walking along the road. Consequently, there have been accidents and others have been narrowly averted. The position is rapidly deteriorating and will continue to deteriorate unless the Highways Department does something about it. I ask that the responsible Minister take some notice of my further representations to help as soon as possible.

We have talked about the wide issues of Federal finance. I could offer some criticism about the way the money which the State receives is spent but this is not justified at the moment. We are suffering from the frenzied finance of the Federal Liberal Government, aided and abetted by the South Australian Government, which supported its members when in Opposition and has supported the Government in office and at every election since it first gained office in December, 1949. I support the first line.

Progress reported; Committee to sit again.

#### MILLICENT TO BEACHPORT RAILWAY.

The SPEAKER laid on the table the report of the Public Works Standing Committee on the Millicent to Beachport railway.

Ordered that report be printed.

#### ADJOURNMENT.

At 5.04 p.m. the House adjourned until Tuesday, September 4, at 2 p.m.