

HOUSE OF ASSEMBLY.

Tuesday, September 20, 1960.

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

ASSENT TO ACTS.

His Excellency the Lieutenant-Governor, by message, intimated his assent to the following Acts:—

- Amusements Duty (Further Suspension).
- Motor Vehicles Act Amendment.
- Justices Act Amendment.
- Cellulose Australia Limited (Government Shares).
- Country Housing Act Amendment.
- Public Finance Act Amendment.
- Public Purposes Loan.
- Statutes Amendment (Public Salaries) (No. 2).

QUESTIONS.**NORTH-SOUTH RAILWAY.**

Mr. FRANK WALSH—A letter I have received from an organization in Darwin indicates that it fully supports any proposal to extend the railway from Alice Springs to Darwin. I believe that this matter involves the Commonwealth and State Governments. Can the Premier report on the possibility of extending the railway from Alice Springs to Darwin?

The Hon. Sir THOMAS PLAYFORD—This matter first arose as long ago as 1907, when the Commonwealth Government started to negotiate with the South Australian Government for the cession of the Northern Territory to the Commonwealth. The Commonwealth took over the Northern Territory in 1910, and one condition of the transfer was that it would construct a railway from Darwin to the northern boundary of South Australia, and connect up with the railway which was then as far as Oodnadatta. This matter is therefore of very long standing. The old arrangements were restated in a further Act in 1949, which dealt with the standardization agreement. The Commonwealth then again undertook to standardize the railway to Alice Springs and to connect it to Darwin, so it is an obligation that clearly the Commonwealth has incurred. While the commerce of the Northern Territory was not very great, the fact that South Australia was held out of its rights under the agreement was not nearly so important to it as it is today, when the Northern Territory is gradually, but nevertheless surely, being developed. The standardization of the railway gauge is therefore important to South Australia, and

I believe all sections of South Australian opinion strongly support it. I was pleased to hear that it was also strongly supported by members of the Northern Territory Legislative Council, who communicated with me on this matter. Those members feel that the Northern Territory would develop very much more quickly if it had permanent railway communication with South Australia. It is the firm policy of this Government to insist upon the carrying out of the agreement under which South Australia handed over the Northern Territory to the Commonwealth, and we believe that the Commonwealth is seriously in default in letting so much time pass before carrying out its obligations.

BERRI OCCUPATION CENTRE.

Mr. KING—Some time ago the Minister of Education announced the proposal for remedial classes and also an occupation centre at Berri, and I believe he now has a report on this matter.

The Hon. B. PATTINSON—Yes. Following Cabinet approval, negotiations have been completed for the purchase of a house and grounds at Berri to be used as an occupation centre. The Senior Psychologist (Mr. Piddington), has reported that it may be possible for him to make a start with the Occupation Centre in the early part of 1961. It is proposed to erect six rooms at the Berri primary school to accommodate remedial, opportunity, and special classes. They were included in the 1960 building programme of the Building Division of the Public Buildings Department, but were deferred owing to the stronger claims for essential classrooms of other schools. The Senior Psychologist reported that one of the biggest difficulties is the obtaining of suitable teachers. This difficulty is accentuated in country districts. However, endeavours are being made to recruit more of these specialist teachers in our current recruiting campaign for teachers from Great Britain. In the circumstances, I regret that I cannot state any definite time when the special classes will commence. However, both the building of the classrooms and the recruiting of the necessary teachers will proceed with the least possible delay.

TEMPORARY HOUSES.

Mr. HUTCHENS—Recently, the Treasurer in his Budget Speech said that plans had been announced for the replacement of temporary houses. As there seems to be some doubt about the plans, can he indicate the real intention of

the Housing Trust? Will the land from which the temporary houses are removed be used to erect permanent Housing Trust buildings upon?

The Hon. Sir THOMAS PLAYFORD—The Government has announced its intention as quickly as practicable to replace the temporary houses with permanent structures. As honourable members know, there have unfortunately been some fires in those houses and, as they were always regarded as temporary, the Government decided as a matter of policy to replace the temporary houses with permanent structures as soon as possible. To that end, additional money has been made available to the Housing Trust to help carry out the programme reasonably expeditiously. There were about 2,000 emergency houses altogether and it is hoped that the programme will be completed within four years, although that must not be regarded by honourable members as absolutely definite as it will depend on circumstances. Obviously, we could not turn tenants out of the houses unless we could re-house them. It will also depend upon a circumstance over which we have little control: the number of houses voluntarily vacated by tenants who from time to time secure accommodation elsewhere. Under reasonable conditions, however, I think that the houses would be completely removed within four years.

As to whether houses will be built in the same areas, the answer is "Not in all cases." In one or two instances the land is owned by the Government. For instance, there is at Islington a large and valuable block of land that would be more suitable for the establishment of a large industry rather than of houses. We are at present building houses to replace temporary houses in the Semaphore district principally, but from time to time expansion will take place. I doubt very much whether all the Springbank area will be used for houses as some of that land may be required for education purposes, but, in the main, the answer to the honourable member's question is "Yes."

MOUNT WEDGE SCHOOL.

Mr. BOCKELBERG—Last year I asked the Minister of Education a question about a school at Mount Wedge. About 20 scholars attend this school, which is held in the old local hall. It is a galvanized iron building, very hot in summer and very cold in winter, as well as being poorly lighted. Can the Minister expedite the erection of a departmental school?

The Hon. B. PATTINSON—I shall be pleased to give the matter urgent and sympathetic consideration.

WHYALLA HOSPITAL.

Mr. LOVEDAY—Can the Premier say whether Cabinet has decided upon an extension of the Whyalla Hospital, which will cost about £750,000?

The Hon. Sir THOMAS PLAYFORD—Recently, I had a communication, about which the honourable member no doubt knows, from the Whyalla Town Commission dealing with this matter and asking for consideration of the establishment of a Government hospital in the area. That matter is being examined at present by the Minister of Health. The alternatives are:—a Government hospital or a subsidized hospital in the area. In one instance, the Government would be involved in all the capital expenditure; in the other, it would be involved in two-thirds of the capital expenditure. I will advise the honourable member when a firm decision has been made in the matter.

NOOGOORA BURR.

Mr. HEASLIP—On August 11 I directed a question to the Minister of Agriculture regarding the importation of Noogoora Burr from New South Wales on unshorn sheep. On September 15 I received a reply from the Minister in which, after pointing out the danger of this burr, he said:—

The policy over the last three weeks or so has been to permit sales of burr-infested sheep only if one or other of the following conditions are complied with, namely (1) the sheep are shorn prior to the sale; (2) the sheep are sold subject to an announcement being made that purchasers of the sheep will be required to shear them within 14 days of the sale.

He went on to say:—

There has been an officer of the department at all major sheep sales over the last three weeks and I can report that there are now few burr-infested sheep coming into the State.

Following on that, I have now received from the District Council of Wilmington a letter in which it asks for action along the lines of the fruit fly road checking points to stop the entry of this burr. There is also a communication from the District Council of Port Pirie which says:—

It is the opinion of this council that the regulation passed by Executive Council on August 11 is not the answer to this problem and that the entry of infected sheep into the State should be prohibited.

Once a sheep comes into the State with burr on it, even though it is shorn after it is sold or prior to the sale, it must cast some of these burrs. Those burrs will then in all probability grow and we shall be infested with another noxious weed so dangerous and costly to

primary producers. In view of all the complaints, and particularly those from the northern areas, and in the realization of the great cost involved in the extermination of any noxious weed, will the Minister of Agriculture or the Government, by regulation or if necessary by Act of Parliament, prohibit sheep carrying these burrs being imported into South Australia?

The Hon. D. N. BROOKMAN—As with most weeds, this is a matter on which the greatest pressure can be brought to bear by the primary producers in keeping their eyes open when buying sheep and looking for any new weeds. The regulations recently approved by the Lieutenant-Governor in Executive Council were introduced because of the department's desire to strengthen its powers in dealing with sheep infected with *Noogoora Burr*. I cannot approve of a scheme to set up road blocks. A road block, operated on a 24-hour daily basis, costs about £8,000 annually and, of course, covers only one road. It is permanent and cannot be moved around. There are so many roads into this State that the provision of road blocks would be totally impracticable. It would even be impracticable to use fruit fly road blocks to inspect stock. In Western Australia I understand that a law prohibits the introduction of sheep with burrs, but Western Australia is in a totally different position from South Australia where there are so many avenues of entry that such a law would be impracticable. Furthermore, any law requiring action to be taken outside the State would not be, and has never been, effective. The Chief Inspector of Stock, who is responsible to the Government for ensuring that Government action is correctly taken, requested these regulations and he reports that they are satisfactory.

LAND SETTLEMENT.

Mr. STOTT—Recently I asked the Treasurer whether money could be made available for young settlers, but his reply suggested that he was under a misapprehension because he referred specifically to the Roseworthy Old Collegians Association. The deputation that waited on him a few weeks ago comprised many organizations and it requested that Cabinet consider making money available to the sons of farmers, not necessarily those from the Roseworthy College. Can the Treasurer say whether Cabinet has considered that request and whether the Government is prepared to consider making money available through the State Bank or some other insti-

tution to sons of farmers to settle them on the land?

The Hon. Sir THOMAS PLAYFORD—South Australian laws invariably have a general application. I do not think it would be possible to make a grant to a particular section of the community. The allocation of land is controlled by the Land Board which takes into account all factors when allotting land, particularly when the applicant is the son of a farmer and is experienced in farming. The Government makes money available for development and the Land Board utilizes it as soon as suitable land is available for allocation. Any farmer's son is eligible to apply for that land. To my certain knowledge the Commonwealth Development Bank is making available large sums on extremely favourable terms for any developmental project, particularly for primary production, that can be shown to be reasonably sound.

SOUTH PARA RESERVOIR.

Mr. LAUCKE—Since the House adjourned on September 7 extensive rains have fallen in the South Para reservoir catchment area, with consequent intakes into the reservoir. Has the Minister of Works a record of the reservoir's present content?

The Hon. G. G. PEARSON—Yes. The South Para reservoir yesterday morning was holding about 8,015,000,000 gallons, about 2,000,000,000 gallons more than it has ever held before. Soon after it was opened two years ago it held about 6,000,000,000 gallons. It is interesting to note that at present the State's reservoirs are holding a greater quantity of water than has ever been held in the State's history. All metropolitan reservoirs and country reservoirs, except the Tod, are full and intakes continue at a rate more than equalling the draw from the reservoirs, so they remain full. South Para reservoir is the greatest storage of water that we have in South Australia, exceeding the present capacity of the Mount Bold reservoir by about 2,000,000,000 gallons. At present we have two interesting features: South Para is holding the greatest quantity of water ever held in a single reservoir in the State, and the State at present has impounded the greatest quantity of water in its history.

The capacity of the South Para reservoir is 10,000,000,000 gallons, and it is at present holding just over 8,000,000,000 gallons. As a matter of interest, a contract was let to place radial gates across the spillway of this reservoir to increase its capacity from 10,000,000,000 gallons. A stipulation in the contract was that these

gates be installed and completed by the end of August. This morning the Engineer-in-Chief went to South Para to take over from the contractor the control, maintenance and use of the new gates. The contract was completed on time, so that the reservoir can still take in a great quantity of water before it is full. Apart from the South Para reservoir, the only reservoir in the State that is not full is the Tod, with the possible exception of the Aroona dam at Leigh Creek, which does not appear on the official list.

CALLINGTON WATER EXTENSION.

Mr. BYWATERS—Yesterday I received a letter from the District Clerk of Mount Barker who had received a request from the Callington Oval Committee for a supply of water for ablution facilities and for a limited amount of irrigation. At the moment the Education Department is drawing water from a disused mine for the supply of septic tanks at the Callington school. The Callington Oval Committee has done a remarkable job in the last 12 months or so in restoring the oval and I point out that the children from the Callington school use the oval for most of their sporting activities. I understand the Education Department has an agreement with the Mines Department for the use of water from the disused mine. Will the Minister of Education take up with his colleague the possibility of extending this scheme to supply water to the Callington oval to enable the committee to continue its work?

The Hon. B. PATTINSON—I am aware of the agreement between the Mines Department and the Education Department, but this is the first I have heard of the difficulties applying locally. I shall be only too pleased to refer the matter to my colleague to see whether anything can be done to assist as requested.

RIVER TORRENS CROSSINGS.

Mrs. STEELE—In recent weeks two vehicles, one a light car and the other a semi-trailer, have been washed downstream while negotiating fords over the River Torrens. One was at Silkes Road in the Burnside electorate and the other in the Enfield electorate. Both mishaps could have had fatal results. There are only two bridges over the Torrens in this area, one at Paradise and the other at Felixstowe, quite a distance apart. The whole area from Athelstone down along both sides of the river (including also the area north of Magill Road) is developing rapidly and consequently the traffic crossing the river is increasing. The fords, which have been rebuilt in recent years,

are regarded as safe provided they are used with caution, but at times they constitute a real danger. Can the Premier, as Acting Minister of Roads, inform the House whether consideration can be given to providing a bridge at a favourable site to serve the districts north and south of the river in this area?

The Hon. Sir THOMAS PLAYFORD—I shall have this matter examined, but I point out to the honourable member that, at times of excessive rain, water comes over roads at fords in various places in this State. I seriously advise every motorist to make sure that he knows its depth and velocity before entering any water of that type. This is an elementary precaution that every motorist should take, particularly at a swollen stream. It applies particularly to some of the northern areas of this State where a motorist would normally think that there is no danger from water. Even in areas between Port Augusta and Port Pirie there can be a dangerous situation when there are rains in the hills.

WALLAROO EMPLOYMENT.

Mr. HUGHES—From time to time the question of employment for men in my district has been raised in this Chamber, and the Government has said that it is sympathetic and prepared to help whenever possible. A rumour was circulating around Wallaroo over the weekend regarding a decision by the Harbors Board to seriously curtail the allocation of moneys for maintenance work at Wallaroo this financial year. This will mean that men will be unemployed, that necessary work will be retarded, and that some will be held up. Has the Minister of Marine any knowledge of this? If so, and if there is any foundation in such a rumour, will he take up this matter with the Chairman of the Harbors Board and request that, in view of the unemployment in that area, further consideration be given to retaining full employment on Harbors Board work at Wallaroo.

The Hon. G. G. PEARSON—I will ask the General Manager of the Harbors Board for a report. So far as I know, the rumour mentioned by the honourable member is only a rumour and has no foundation in actual fact. The honourable member knows that a considerable amount of maintenance work has been done at Wallaroo over the years and much more is still to be done. I know that the General Manager is anxious to continue the work in its normal volume, so I am surprised to hear that any such suggestion has been made.

SOUTH-EASTERN SLEEPER ACCOMMODATION.

Mr. HARDING—Has the Premier, as Acting Minister of Railways, a reply to my recent question regarding a trial run of roomette and twinette cars on the Blue Lake express?

The Hon. Sir THOMAS PLAYFORD—I have obtained a report that compares the patronage of the service when the trial took place and that of passenger trains in 1959. I have circulated the report, and the honourable member, as well as the member for Mount Gambier, will obtain it in due course. I also have a reply from the Railways Commissioner that shows that 87 passengers *ex* Adelaide were carried in a two-monthly period in 1959 compared with 98 in a similar period in 1960. For this period in 1959, 154 passengers *ex* Mount Gambier were carried compared with 130 in 1960. The honourable member will see, if he analyzes the figures, that there has been no improvement in patronage to justify the continuance of this service. Under those circumstances, the Railways Commissioner is not prepared to establish a permanent service.

HOUSES FOR AGED PEOPLE.

Mr. CORCORAN—Can the Premier say whether the Housing Trust intends to provide houses for aged pensioners and widows at Millicent and other important towns in my electorate similar to those provided in the metropolitan area?

The Hon. Sir THOMAS PLAYFORD—Only recently Parliament passed a Bill to provide an additional £100,000 for this purpose. The Housing Trust has not produced for me a list of towns where it intends to build these houses, but I will see whether I can have it speeded up. Frankly, I would not have expected to have it yet, as the legislation was only recently passed, but I will get the list as soon as I can and advise members accordingly. I will see that the honourable member in particular is advised regarding proposals for his district.

SCHOOL ZONING.

Mr. RALSTON—The Education Department has introduced a system of zoning based on residential qualifications for students desiring to attend high schools in the metropolitan area. In view of this policy, and its possible extension to primary schools, some parents in Mount Gambier have expressed concern about what could be the position in the new year. Can the Minister of Education say whether the department has considered introducing zoning

for the three primary schools at Mount Gambier which will be available for students in the coming year?

The Hon. B. PATTINSON—As far as I am aware zoning of primary schools in the Mount Gambier area has not been considered. As a general policy, primary schools are not zoned: zoning is confined to metropolitan secondary schools. However, the honourable member has raised the matter, and as there is probably justification for his having done so I will refer it to the Director of Education to see if he can supply any relevant information.

GILLES PLAINS HIGH SCHOOL.

Mr. JENNINGS—Some time ago I asked the Minister of Education a question about the proposed starting and finishing times for work on the proposed Gilles Plains high school, and I believe the Minister has a reply.

The Hon. B. PATTINSON—Yes. The Director of Public Buildings has informed me that he expects a contract for work on the school to be let by the end of this year and that it will be completed before the school opening in February, 1962.

EYRE PENINSULA WATER SUPPLY.

Mr. BOCKELBERG—On August 23 I asked a question of the Minister of Works regarding the water supply on Eyre Peninsula, and I understand he has some information on the matter.

The Hon. G. G. PEARSON—Yes. Two matters come under the heading of the honourable member's question. The first is that the supply now held in the Tod River reservoir at present is between 1,200,000,000 and 1,300,000,000 gallons, just about half the total capacity of 2,600,000,000 gallons. That will make the position satisfactory for the coming summer on the Tod trunk main. However, a further problem concerns the supply for Kimba. In the last week there has been an appreciable intake into the reservoir at Kimba which will assist in providing a satisfactory supply for the township during the coming summer, but regarding the long range programme of a water supply for that town the department gave considerable anxious thought to the matter and finally decided to recommend to me and to the Government that two additional concrete storage tanks should be built there to store water for the use of the town through prolonged dry periods. Cabinet last Monday week approved the proposal to build two new tanks which, when completed, will increase the total water

storage capacity of the township reservoir to 6,200,000 gallons. The project will cost £94,000, and the Engineer-in-Chief advised me this morning that he hopes to call tenders for this work within the next few days.

MITCHELL PARK BOYS TECHNICAL SCHOOL.

Mr. FRANK WALSH—Has the Minister of Works a reply to the question I asked recently regarding the use of fibrous plaster sheeting at the Mitchell Park boys technical high school?

The Hon. G. G. PEARSON—A report which I received from the Director of Public Buildings indicates that for many years the standard practice was to specify fibrous plaster for all Government buildings where such a type of material was to be used. When the building programme was stepped up so extensively in the post-war period, and particularly in more recent years, it was found that there was a tendency to run short of fibrous plaster, and other materials available on the market offered a satisfactory substitute at an attractive price. It has therefore become the practice in recent years to invite tenderers for public buildings to submit alternative prices for fibrous plaster and similar types of wallboard. In some cases, although not in all, an alternative tender has been submitted for gyprock, for instance, and this has been much lower than the tender for fibrous plaster. Regarding the tenders for the Mitchell Park boys technical high school, the successful tenderer submitted a price of £5,600 for the use of plaster board or £6,200 for fibrous plaster. Plaster board was accepted, as the cost was £600 less. It will be seen that the price quoted for fibrous plaster was 10.7 per cent higher than that for plaster board.

POLICE PROSECUTIONS.

Mr. HUTCHENS—I recently asked a question concerning comments alleged in a press report to have been made by Mr. Wilson, S.M., who is reported to have criticized the Crown Law Department for leaving the police to conduct a case which he alleged, or seemed to allege, they were not capable of conducting. As this matter is one of public interest, has the Minister of Education obtained a report?

The Hon. B. PATTINSON—Yes. The Attorney-General has informed me, firstly, that the Crown Solicitor's Department does not leave to the Police Department the conduct of cases for which police officers are not equipped with the necessary legal knowledge. He further reports that the comments of the Special Magistrate were an unwarranted slur

on the ability of the police prosecutors, who are capable officers doing a very good job under difficult conditions. Cases involving Section 92 of the Federal Constitution vary considerably in complexity. Where questions of law requiring an examination of principle arise for decision in a case, a Crown Law officer attends. Where, however, no examination of principle is to be made, but only a straightforward issue of fact arises, there is no need for the attendance of a Crown Law officer. Police prosecutors are perfectly well able to cope with disputed questions of fact, and habitually and successfully do so. The Attorney-General reports, secondly, that the country was not put to unnecessary expense by the prosecution of this case by a police officer. No order was made as to costs. The country would be put to far greater expense if the Government had to maintain a large staff of solicitors so that one could be sent to the Police Court to assist the magistrate every time he was called upon to decide a difficult case.

BLANCHETOWN BRIDGE.

Mr. STOTT—Can the Premier say whether tenders are being called for the bridge at Blanchetown? If not, is anything holding up the calling of the tenders?

The Hon. Sir THOMAS PLAYFORD—I know of no particular hold-up of the tenders. The honourable member will know that at present, with the large volume of work in all Government departments, we are very short of technical officers, and particularly designing engineers. That in itself is a difficulty that is hard to overcome. As the honourable member will notice from the Budget, we are spending money on bringing qualified officers from abroad, and the Minister of Works is letting out to private firms some of the architectural work we are undertaking. Apart from that difficulty, I know of no other hold-up in this connection. The bridge is a major work and not simple in design. I think the tenders will be called later this year.

GEORGE'S CORNER.

Mr. RICHES—Has the Premier a reply to my recent question concerning accidents at George's Corner?

The Hon. Sir THOMAS PLAYFORD—Mr. Jackman, the Commissioner of Highways, reports that arrangements are in hand to erect an additional sign on the Port Pirie bypass at the southern approach to the intersection near George's Corner. It is considered

that when this sign is erected soon there will be adequate warning of the presence of the junction. Investigations are being made into alternative layouts of the roads in this vicinity in order to determine whether the accident record can be improved. The provision of adequate lighting is also under review.

I also have a report from the Deputy Commissioner of Police, which states:—

The five accidents involving semi-trailers which have occurred at George's Corner near Port Pirie since June 18 last are more than expected at any normal road junction in a rural area but the following particulars would suggest that in each case the drivers approached the corner too fast:—

18/6/60 (Saturday) 7.40 a.m.—Semi-trailer travelling north; semi overturned when brakes failed.

14/7/60 (Thursday) 2.00 a.m.—Semi-trailer travelling north; semi overturned.

20/7/60 (Wednesday) 4.00 a.m.—Semi-trailer travelling north jackknifed resulting in damage to prime mover.

3/8/60 (Wednesday) 1.00 a.m.—Semi-trailer travelling south collided with car travelling north.

2/9/60 (Saturday) 8.00 a.m.—Semi-trailer travelling north overturned.

The plan attached shows that the advanced warnings to drivers of an unusual hazard at the junction with the Pirie to Port Augusta road extend back to the next intersection and even beyond it. The fact that two of the accidents occurred during daylight hours and that drivers must surely be aware of this hazard would indicate that drivers are either ignoring the signs or not slowing down sufficiently when making the turn.

We consider that any extension of the warning signs in an endeavour to reduce the speed of drivers of heavy vehicles would be a waste of public money.

The question of a major overhaul of the junction with a view to making the corner safer for traffic is one that could possibly be taken up by this department with the Commissioner of Highways.

As I have already said, the Commissioner of Highways is taking the question of the layout of the junction into consideration.

PROCESSED CHICKEN IMPORTATIONS.

Mr. LAUCKE—Has the Minister of Agriculture a reply to my recent question regarding the importation of processed chicken from the United States of America?

The Hon. D. N. BROOKMAN—I have a report from the Director of Agriculture dated September 7, which reads:—

Inquiries have been made into the importation of chicken from the United States to Sydney as mentioned in the question by Mr. Laucke in the House of Assembly. The only

restriction of which we are aware is that provided under Commonwealth Quarantine Regulations. Under these regulations chicken may be imported into Australia from any source subject to its satisfactory certification in respect of sterilization. Commercial consignments which are fully documented in this respect may not be debarred by quarantine.

Inquiries made from the six leading food stores in Adelaide indicate that none of these American importations have yet been sent to Adelaide. However, experience in similar instances suggests that it is only a matter of time before this commodity will become available here.

Any action to restrict the importations beyond the restrictions imposed by quarantine would have to be taken under the authorities concerned with tariff and import licensing.

Some of this product is obtainable in Adelaide. In fact, it is advertised now and the honourable member will know that it can be obtained here.

WIRE MESH MACHINES.

Mr. HUGHES—Has the Premier a reply to the question I asked on August 16 regarding the *bona fides* of an organization engaged in the sale of wire mesh manufacturing machines?

The Hon. Sir THOMAS PLAYFORD—I have received the following reply from the Prices Commissioner:—

A machine to manufacture chain wire can be purchased by persons interested in part time work at home for an outlay of £325. Terms of the contract provide for the supply of wire and repurchase of the manufactured product. Operators are permitted to arrange for their own wire supplies if the organization is unable to meet requirements within 28 days. Owing to shortage of wire, difficulty was experienced in keeping operators supplied and consequently production could not be maintained. Following this development, arrangements were made to import wire and there is now sufficient wire available for operators. The firm's undertaking to purchase the manufactured product has been carried out and there does not appear to be any difficulty in this connection. The actual cost of the machine cannot be ascertained at this juncture as it is manufactured interstate and there are no similar machines made here. More elaborate machines for making chain wire are much dearer than this machine. The price of £325 includes freight from interstate, agent's commission, provision for training the operator and cost of servicing the machine. All picking up of the finished product and delivery of raw material is free. There is also possibly some goodwill involved in providing a ready market for the chain wire manufactured. The person associated with the scheme in this State is a returned serviceman of good reputation and, other than the recent shortage of wire which he took all possible steps to overcome at considerable extra expense, appears to have carried out his undertakings.

RAILWAY YARD FEES.

Mr. HARDING—Has the Acting Minister of Railways a reply to the question I asked on September 7 about the rental being charged stock and station agents for the use of railway yards at Naracoorte?

The Hon. Sir THOMAS PLAYFORD—I have received the following reply from the Deputy Railways Commissioner:—

The present rental being charged the associated stock firms at Naracoorte is £2,216 6s. per annum. The last increase was effective as from June 17, 1959, when the rental was increased by £90 per annum under the terms of the agreement whereby the rental fluctuates in accordance with the formula based on the variation of the Federal basic wage.

FRANCES TRUCKING YARDS.

Mr. HARDING—Has the Acting Minister of Railways a reply to the question I asked on August 23 about the Frances trucking yards?

The Hon. Sir THOMAS PLAYFORD—Negotiations are in hand with a view to improving the condition of sheep yards at Frances.

GLENCOE-KALANGADOO ROAD.

Mr. HARDING—Has the Premier replies to my recent questions regarding the Glencoe-Kalangadoo Road and the lighting of semi-trailers?

The Hon. Sir THOMAS PLAYFORD—The Commissioner of Highways has reported as follows:—

Acquisition plans for the purchase of land on the Glencoe-Kalangadoo Road have been prepared, but negotiations with the land-owners concerned have not yet commenced. No funds for construction work have been allocated for this financial year. Crushing stone for the reconstruction of this road has not commenced. The Mines Department has been requested to supply information with respect to rock formations in the Lake Edward area. No section will be sealed during 1960-61, but this work will be carried out in 1961-62.

FLATS FOR AGED WOMEN.

Mr. BYWATERS—During the recent debate on the Country Housing Act Amendment Bill I asked whether it would be possible for the Housing Trust to build flats for elderly spinsters and for elderly widows who do not want to live with other people. I have been approached by several ladies at Murray Bridge who are seeking such accommodation. Because they are single or have lost husbands they are not eligible for accommodation under this legislation unless they share with another aged person, which they do not want to do. Four people could be accommodated in a building divided into four self-contained flats rather

than in two houses. Will the Premier refer this suggestion to the Housing Trust to see whether something can be done to assist aged widows and aged spinsters?

The Hon. Sir THOMAS PLAYFORD—I will have this matter investigated but I point out that only a limited amount of money is available and there are big demands from married couples for houses. With flats one has to duplicate all of the services in them and there is less accommodation for the money expended than would be available in a house unit.

ELECTRICAL COMPANY'S QUIZ.

Mr. HUTCHENS—Has the Minister of Education a reply to my recent question about a quiz being conducted by a company operating under the name of "Empress Electrics"?

The Hon. B. PATTINSON—The Attorney-General has supplied me with the following report from the Crown Solicitor:—

This matter has now been investigated by the police and on the facts before me, in the accompanying report, I am of the opinion that the quiz competition being run by Empress Electronics Ltd. does not contravene the provisions of the Lottery and Gaming Act. Everything turns on how the names to be telephoned are decided upon. The information is that the company "systematically go(es) through the alphabet", that is, takes the personal names as they appear in the phone book. No element of chance enters into this plan, provided it is the method used, and although one may have one's suspicion as to whether the company genuinely intends to go through the entire phone book, there is nothing to show that this is not the company's genuine intention. No action can, in my opinion, be taken at this stage.

GAWLER BELT TRAFFIC ISLAND.

Mr. LAUCKE—Has the Premier a reply to my question of August 25 about the lighting of the Gawler Belt traffic island at the junction of the Main North Road and the Gawler-Greenock Road?

The Hon. Sir THOMAS PLAYFORD—The Commissioner of Highways reports as follows:—

Under the present legislation the Commissioner of Highways has power to contribute to the payment of lighting on two roads only, Anzac Highway and Port Road. In rural areas, where lighting is essential for the safe functioning of traffic islands, the cost of bringing power to the site and installing lights is considered to be part of the island's construction cost. At the junction in question the Electricity Trust has been requested to provide an estimate of the cost of installing lighting equipment and if this is acceptable, the local authority concerned will be approached to pay the annual lighting cost.

SOUTH-EASTERN WATER DISTRICTS.

Mr. RALSTON (on notice)—

1. What is the Engineering and Water Supply Department's assessment for the Mount Gambier water district for the financial years 1959-1960 and 1960-1961?

2. What was the revenue and expenditure (debt charges to be shown separately) for the Mount Gambier water district and the Blue Lake water district for the financial year 1959-60?

3. What was the capital investment in these water districts as at June 30, 1960?

4. What is the anticipated revenue and expenditure (debt charges to be shown separately) for each of the Mount Gambier and Blue Lake water districts for the financial year 1960-61?

The Hon. G. G. PEARSON—The replies are:—

1. £503,447 in the year 1959-60 and £648,247 in 1960-61.

2. Revenue from Mount Gambier was £57,954 and from country lands £5,753, a total of £63,707. Working expenses amounted to £39,334 and debt charges were £14,204, a total of £53,538.

3. £372,081.

4. The estimated revenue for the year 1960-61 is £65,600 from Mount Gambier and £8,540 from country lands, a total of £74,140. Working expenses are estimated at £42,000 and debt charges at £16,000, a total of £58,000.

AUDITOR-GENERAL'S REPORT.

The SPEAKER laid on the table the Auditor-General's report for the financial year ended June 30, 1960.

Ordered to be printed.

**MILE END OVERWAY BRIDGE ACT
AMENDMENT BILL.**

Returned from the Legislative Council without amendment.

THE BUDGET.

In Committee of Supply.

(Continued from September 6. Page 953.)

Grand total, £85,516,029.

Mr. FRANK WALSH (Deputy Leader of the Opposition)—I regret the circumstances under which I am privileged to open the Opposition's reply in this debate. Unfortunately, as is well known, the Leader of the Opposition, Mr. O'Halloran, is at present a patient in Calvary Hospital. Knowing that Mrs. O'Halloran has been overwhelmed by the many generous inquiries concerning her husband's health, may I express to the members of this House and of the Legislative Council, and people generally, sincere thanks and assure all that, while certain relapses have occurred, because of the medical and nursing attention he has received Mr. O'Halloran has shown some improvement. I know that all desire that he continue to improve.

In introducing the Budget the Treasurer made his usual glowing remarks about the prosperity of South Australia, namely:—

The progress over the post-war years, which followed a war effort of which we were justly proud, has been quite unparalleled in Australian history. That record has now been capped by the State passing through the worst drought since settlement with its finances and its economy actually in better shape than ever before.

I think his remarks should have been a little more subdued and I have here several tables which do not coincide with the general exuberance of the Treasurer, and which were obtained from the Commonwealth Bureau of Census and Statistics. The first is in relation to the cereal yield per acre in South Australia and shows the comparable yield during a number of years when there was very light rainfall during the crop growing period.

During the past 20 years there has been a marked change in the areas sown to the particular cereal crops and, in particular, there has been a considerable switch from wheat production to barley and oats, so that a comparison of the total yields over the years does not give us a true picture. However, a comparison can be obtained by comparing the average yield per acre over the years in order to see how South Australia fared during the dry season last year. The yield per acre comparisons for selected years, when rainfall during the crop growing season was abnormally low, are shown in the following table:—

Season.	Average rainfall, Apr.-Nov. In.	Wheat. Bush.	Average yield per acre.		
			Barley. Bush.	Oats. Bush.	Hay (all kinds). Tons.
1914-15	6.83	1.41	6.75	2.62	0.47
1929-30	8.79	6.40	15.25	5.63	0.82
1940-41	8.19	6.97	10.14	3.87	0.98
1944-45	9.16	5.70	8.85	3.94	0.74
1957-58	8.67	11.20	14.48	8.01	1.05
1959-60	6.22	7.70	9.19	4.95	0.84

The average rainfall over agricultural areas for the crop growing period April to November taken over a period of 54 years to 1958 was 12.85in. whereas the comparable figure for last year was 6.22in. This shows that we had an exceedingly dry year, but the above table clearly illustrates that the 1959-60 yields per acre compare favourably with other years in which there was an abnormally low rainfall during the crop growing period. However, a perusal of the following table shows that the cereal yields per acre last year were much lower than yields since 1956:—

Cereal Yields—South Australia,

1955-56 to 1959-60.

Average yield per acre.

Season.	Wheat. Bush.	Barley. Bush.	Oats. Bush.	Hay (all
				kinds). Tons.
1955-56 ..	17.96	23.61	17.13	1.41
1956-57 ..	21.85	27.83	19.47	1.52
1957-58 ..	11.20	14.48	8.01	1.05
1958-59 ..	22.76	28.27	24.93	1.60
1959-60 ..	7.70	9.19	4.95	0.84

A consideration of both tables together shows that the crop last year compared favourably with the yield in other years when there was an abnormally low rainfall during the crop growing period but, when the second table is also considered, the yield last year was very light when compared with recent normal seasons and this will be reflected in the State's earnings from public utilities such as railways and harbours in the current year.

The next table refers to the sheep numbers in South Australia as at March 31, each year, and gives details in classifications of sheep under one year, and those one year of age and over.

Sheep Numbers—South Australia.

('000.)

Classification.	As at March 31—					Percentage decrease 1960 on 1959.
	1956.	1957.	1958.	1959.	1960.	
Under 1 year	2,906	3,457	3,437	3,062	2,877	6.0
One year and over ..	10,679	11,527	11,799	12,572	11,148	11.3
Total	13,585	14,984	15,236	15,634	14,025	10.3

This is the first time that a decrease in sheep numbers has been recorded since 1946 but, in spite of the very dry year, the total number at March 31 this year was still greater than in any year prior to 1957.

The important facts from the above table are:—

(1) There was a decrease in the total number of sheep last year of 1,609,000 or 10.3 per cent; and

(2) The reduction in the number of sheep under one year of age was only 6 per cent compared with the reduction in the number of those one year of age and over of 11.3 per cent.

Therefore, I consider the statement of the Treasurer, when referring to the strength and progress of the State's economy, to be an exaggeration. In fact, I consider that the State suffered a set-back last year but, in view of the lower proportionate disposal of the younger stock together with the good opening season, the prospects for the future are good. However, it will be several years before we recoup our livestock losses of last year.

I, like the Treasurer, pay a tribute to the magnificent work done by the officers of the Treasury and anticipate that when the Labor Party occupies the Treasury benches it will receive the same amount of assistance and good advice from them in the preparation of its Budget.

Mr. Millhouse—When does the Deputy Leader expect that to be?

Mr. FRANK WALSH—Soon. However the presentation of the Budget by the Treasurer this year has brought home to members quite forcibly the fact that the finances of the South Australian Government are very subject to the vagaries of the weather rather than that they are solely the result of good planning and efficient management by the present Government. The particular point I have in mind is that His Excellency the Lieutenant-Governor, when giving his opening address to Parliament on March 31 this year, said that the anti-

ipated deficit for the year 1959-60 would be between £1,800,000 and £2,000,000, but we find in the Budget before us that the actual deficit result was only £311,000. Even with the assistance and good advice from the Treasury officers this is a Budget alteration of 83 per cent in a period of three months and surely all members and the general public are entitled to a very detailed explanation as to how this major alteration occurred.

The Treasurer made several explanations but they were either without foundation or conflicted with statements he had made elsewhere. One explanation was:—

During the last three months of the financial year the situation changed radically. The early autumn rains were so bounteous and so widespread that first we were able to reduce pumping of water and then to cease entirely. My reply to this explanation is to quote the Treasurer's own words as recorded in *Hansard* on page 872 when he presented the Budget last year and justified the anticipated increase in expenditure by the Engineering and Water Supply Department, namely:—

Full scale pumping has been carried out continuously since early July and with the present seasonal outlook there is little prospect of it ceasing before the end of April next.

To my knowledge this is just what did occur and, therefore, there should not have been any alteration necessary to the estimates originally provided by the Treasurer in last year's Budget. However the Treasurer was in a cleft stick because the overall expenditure for the financial year just concluded was in excess of the estimate and, as the departmental figures reveal, he was forced to contradict his original statement in order to justify this heavier expenditure. He said:—

Extended pumping in connection with providing an unrationed water supply, principally to the metropolitan area, involved the Engineering and Water Supply Department in expenditure of £202,000 in excess of the Budget estimate.

Therefore, the Treasurer cannot have it both ways and I say the expenditure was greater, and the statement by the Premier, which I quoted in the first place, is something that sounds good but it is not a genuine explanation of the great difference between what was anticipated in March and what actually happened by the end of June.

In addition, it proves the inaccuracy of the Treasurer's other statement, namely:—

The effects of the Government's most careful efficiency and economy efforts became increasingly manifest.

Another explanation given was—

We were fortunate not to have any fruit fly outbreak, meaning considerable saving on budgeted expenditure.

As the major fruit fly outbreaks occur during the fruit growing season—say December to March—this should have been taken into account in the March anticipation and therefore this is another statement which sounds good but provides no substantiation for the major alteration.

Therefore I had to look further and the next explanation I saw was one with which I could agree, namely:—

The position was also materially relieved . . . as anticipated marginal adjustments of teachers, police and nurses were not made until after 30th June.

In my opinion the fact that the Government did not pay its own workers their marginal adjustments from the correct time is the main reason that it is able to show such a favourable result for the year just completed. In effect, it has ridden on the backs of its own workers in order to achieve a more favourable result, but I will have more to say on this matter at a later stage.

The final explanation given by the Treasurer on this matter is also one with which I agree, namely,

The whole economy reacted to the radically changed seasonal outlook, and increased revenue resulted from increased loadings, harbour activity, land transfers, hire purchase transactions, stamp duties on commercial documents, and the like,

but this is just saying that the result that was achieved was the result of the vagaries of the weather and therefore reflects no credit on the present Government. I turn now to two other statements by the Treasurer; firstly:—

The Government has no present proposals for any special increase in taxes and charges. Secondly:—

. . . it anticipates an additional £1,000,000 approximately in water and sewer collections arising from a review of property assessments.

I will deal with the second point first, because that hinges on a question on notice asked by the Leader of the Minister of Works as recorded in *Hansard*, page 596. The question was: "What is the estimated amount that will be received as the result of such re-assessment?" and the answer was, "£495,000". Now we are told that the figure will be £1,000,000. It is improper for the Minister to give a figure obtained from the department, then almost double it, and then say there is no increase. This does not measure up. This is certainly a very substantial increase and probably more substantial than would have been required had the matter been tackled several years ago, as it should have been. Now that we have this substantial increase is there any relation between the cost of the service and the revenue derived? There has not been any relation for many years and, although members on this side of the House pointed out that the financial position of the

Engineering and Water Supply Department was gradually deteriorating, our remarks fell on deaf ears. Now that we have the substantial increase in assessments one wonders whether the Engineering and Water Supply Department will again be profitable or whether the tempo of Government expenditure will continue at such a rate that it will outstrip the increased revenue from the increased assessments. On the past activities of the present Government I think that the latter condition will apply.

As from August 1 rail fares were substantially increased. Metropolitan passenger return fares were increased by an average of about 16 per cent, country passenger fares were increased by an average of approximately 6½ per cent, increases in freight rates ranged from 3 per cent to 12 per cent and the increase in the agricultural produce rate varied between 3½ per cent and 12 per cent. If these are not present proposals by the Government of increases in taxes and charges I should like to know just what they are—and the last increase I mentioned shows that the Government is not concerned that primary producers in South Australia are still feeling the effects of a very dry season when the increased freight rates for agricultural products range between 3½ per cent and 12 per cent. The sole concern of the present Government is the raising of additional funds to meet its mounting expenditure and it does not practise what it preaches; namely:—

Many individuals as well as institutions, industries and Governments must budget for surpluses consistent with their incomes if we are to achieve the end we all desire.

Another statement by the Premier was:—

In rural production we have seen great advances made, not only in the opening up of land previously thought to be too poor for development, but also in vastly improved farming practices in the areas which were first opened up many decades ago. The South Australian Department of Agriculture has played a very significant role in this progress, both in fundamental research and in taking the growing store of knowledge to the man on the land and helping him in his practical problems. For 1960-61 the department has been allocated a total of £806,000, which is £98,000, or 14 per cent, more than was actually spent in 1959-60. This will enable the department to expand its activities still further at its research and experimental centres and in its advisory services.

I am pleased to see that the Agriculture Department, in keeping with many other departments, is to receive an increased allocation of 14 per cent. However, as honourable members know, there are 3,000 fewer individual landholders getting their living from

the land today in South Australia than there were 20 years ago. I think that should be taken notice of. When one realizes the potential that still exists, much of which has been created by the use of trace elements, the benefit of superphosphate and induced pastures in the wetter but formerly unproductive areas of the South-East, instead of there being 3,000 fewer landholders there should be at least 3,000 more. But what is happening today? When a block of land goes on the market, it is purchased by some landowner adjacent to it because he is usually the only one who has the money to pay the extraordinary prices being asked for land today, and I am sorry to see that the Government has not disclosed any real closer settlement policy.

The Education Department is also to receive an increased allocation of 14 per cent and envisages spending £11,783,000. The Government can certainly boast that it is spending huge sums on education but, as we have pointed out before, and we point out again, from the last report of the Minister of Education, which is for the year ended December, 1958 (perhaps we will receive a more up to date version any time now) I find that, over a period of four years, and after excluding capital expenditure, such as the building of new schools, the average cost per pupil instructed increased by approximately 30 per cent. Over the same period the general level of prices increased by only approximately 10 per cent. We still have overcrowded classrooms and lack of teachers and, with the unsatisfactory conditions still continuing, I am of the opinion that we are not receiving value for the increased expenditure being made. What we require is a proper plan for the expansion of education in this State, and not just the present Government's policy of pouring a colossal sum of money into a neglected education system, which is the result of the present Government's lack of spending in the past, in the hope that by the quantity of money used its problems will be solved.

As I have said in this House before, there is a need for more substantial school buildings, particularly in my area. The South Road primary school at St. Marys is of timber-frame construction. The school committee has done yeoman work in developing the area and in grassing some land, and I think commendation should be given to its efforts. On a recent visit to the Marion high school, where a fire occurred, I found that timber-frame buildings were being erected to such an extent that it would be necessary to encroach on the

playing area. Those who appreciate the necessity for physical education will agree that it is undesirable to curtail areas used for sport.

I have admitted that the Mitchell Park primary school is the most modern primary school in the State. The Railways Department has indicated that it is prepared to erect a fence to show where the proposed Tonsley spur line will go. The Mitchell Park boys technical high school almost joins the primary school, and two fences must be erected to enclose the proposed line. In the interests of the district I tried to obtain some information from the company that wanted this spur line. I do not reflect on Mr. Ferguson; however, when I approached him he said, "We would give the necessary notice and would probably desire to have it there but, of course, I want you to understand that when I load equipment at Tonsley for Brisbane I want to be able to put it on a railway system and carry it there without any alteration in gauge." I said, "I would not be a very good judge of time, but I believe if you permitted your beard to grow you would be tumbling over it before you got unification of railways." I do not care how big this organization is: the Railways Commissioner has a job to do and is in a position to know where, when and how to load goods for transport to other States. However, I hope it will not be necessary to wait for unification before we know what will be done about this line. I know that the area has been reserved and that it will be utilized.

The Government has not given sufficient attention to providing office accommodation for the Public Service. Foy & Gibson's building, which the Government purchased, was erected as a hotel and was subsequently used as an emporium. How can proper accommodation be provided for clerical workers in this building, which has ceilings almost as high as that of this Chamber? Many confidential matters are discussed there. For example, the Children's Welfare and Public Relief Board has to make personal inquiries relating to hardship. In the board room there is only a partition and therefore people on the other side can hear the confidential things being said. If a person wants to register a motor car or obtain a driver's licence he must go to the Railway Building; to pay an account for treatment at the Royal Adelaide Hospital he goes to the departmental offices in Rundle Street; if he wishes to see an officer of the Agriculture Department he goes to Gawler Place; still somewhere else if he wishes to do business with the Engineering and

Water Supply Department; and to another building in Wakefield Street to find the sewers section of the department.

The Government is depending upon the Reserve Bank to erect a building in Victoria Square and I suppose it will have to pay rent. I have been informed by an architect who is to investigate the best type of stone for the facade that green marble is required. A certain gentleman who knows something about South Australian marble has submitted a sample of green marble and the architect is very impressed. There are unlimited supplies available from new quarries that have been opened at Angaston. A scientific test has shown that the Angaston marble is superior to the imported Italian marble. The test was the equivalent of 100 years of weather wear. The company concerned is trying to be progressive and create employment, but we find that for another building to be erected in Rundle Street Italian marble will be used, despite the fact that local supplies are available. The additional cost will be anything up to £15,000. We should have faith in our local material, otherwise how can we expect other people to have faith in it. I understand that there is a project before the Public Works Standing Committee for the erection of new police headquarters.

Mr. Lawn—Is imported marble to be used for that?

Mr. FRANK WALSH—I hope not. A trial should be given to the Angaston marble for the facade and if the architects are not satisfied with the Angaston white marble, pink marble is also available from that district. I hope that a reasonable trial will be given to this marble.

Mr. Lawn—Where did the marble for Parliament House come from?

Mr. FRANK WALSH—From around Kapunda.

Mr. Lawn—One could not wish for anything better.

Mr. FRANK WALSH—The cost of marble by reopening the Kapunda deposits would not compare with the cost for the marble from Angaston.

Mr. Lawn—What marble was used for the Hotel Australia?

Mr. FRANK WALSH—It is a rather sore point with me that the Government should have lent £250,000 for the erection of this hotel—the white elephant in North Adelaide. The hotel has got off to a bad start and I think it will take an outstanding person to make a success of the proposition.

Mr. Lawn—Are you suggesting that the Government lent the Hotel Australia £250,000?

Mr. FRANK WALSH—I know that the money came from the State Bank, an institution dominated by Government influence.

Mr. Lawn—The Treasurer always says that such money is for housing.

Mr. FRANK WALSH—Although money is not available for those wishing to purchase an existing house, £250,000 can be made available to this hotel. The Government is prepared to wave the flag and put forward the hand of good fellowship to people coming to this country, but when it comes to helping those already living here, by providing money to purchase an already existing house, it is far behind in the shadows. It is then a different story.

I wish I could consider the mounting public debt in South Australia with the same carefree attitude as the Treasurer, but I am afraid that such is not the case. The Treasurer said:—

It is true that the public debt has increased greatly from some £109,000,000 in 1945 to £339,000,000 as at June 30, 1960. This increase expressed as a figure per head of population, is greater than the increase for any other State in the Commonwealth except Tasmania. I make no apology for this. On the contrary, I acknowledge the increase as both desirable and necessary. South Australia's entitlement to a better than per capita share of Loan funds available is regarded with no little envy by the other States, and I assert with complete conviction that the careful expenditure of these borrowed funds on water, transport, power, schools, hospitals and other services, has been a major factor in the development of South Australia into a strong, diversified, well-balanced economy.

Even when giving an explanation such as this, he is not straightforward because he makes no reference to the other interest bearing indebtedness of the State, such as the Commonwealth Housing Agreement Fund; and this other interest bearing indebtedness in the same period has increased from approximately £1,500,000 to approximately £35,000,000, but I am sure the extra £33,500,000 will not disturb the Treasurer's carefree attitude in regard to this important matter. He maintains that this mounting debt has been a major factor in the development of South Australia into a strong, diversified, well-balanced economy. Up to the present time this is only a pipe dream for the future, but there is every prospect of this dream coming true now that, after at least 10 years of agitation from members on this side of the House, the Government has agreed to the appointment of a special committee to investigate the problem of decentralization in South Australia.

The present Government has no answer to the problem of decentralization, but if, as a result of the inquiry by the special committee, South Australia is developed into a strong, diversified, well balanced economy, then we will be on the right road towards meeting the interest charges that go with this mounting debt. Whilst on this matter of interest charges I quote another statement by the Treasurer in regard to the "dead weight" charges of the public debt:—

As for the increase in the "dead weight", that is, the extent to which undertakings fail to recoup to the Budget full interest and sinking fund charges attributable to them, an examination of the nature of such undertakings should readily relieve all concerned. They comprise, in the main, school and hospital buildings, the necessity for which no-one would deny. They include land improvement and development, country water supply undertakings, country rail services, and other developmental expenditures. The impact of these activities on the Budget in 1959-60 will be revealed in the Auditor-General's report to be considerably greater than in 1958-59, not only because the Budget had to carry the debt servicing charges on a growing volume of capital expenditure on schools, hospitals, police and other buildings, but because the effect of the drought will be revealed in temporarily increased costs for pumping water and in reduced earnings of railways and other public undertakings.

I understand that the Auditor-General is to have some pertinent remarks on this matter, and I will be interested to see them, but I first want to refer to one particular item in the Treasurer's statement which is completely misleading. He said:—

They comprise, in the main, school and hospital buildings, the necessity for which no-one would deny.

I certainly do not deny their necessity, but I certainly deny that they constitute the main "dead weight" charges. I have had to rely on 1958-59 figures because the Auditor-General's report was not tabled in sufficient time for me to peruse it prior to my reply on the Budget. It is grossly unfair that any member on this side of the House should have to follow a prepared document presented by the Treasurer only such a short time ago, without having the same right as the watchdog to make comparisons. The Auditor-General's report was placed on my desk during question time today. What opportunity have we to make comparisons, and what fairness is there when we are confronted with such an insult from the Government?

Mr. Millhouse—If you look at page 15 of the Auditor-General's report you may get some assistance.

Mr. FRANK WALSH—We are entitled to receive in reasonable time the document in which the watchdog has covered some reports of Government expenditure. We have been told over and over again that the Auditor-General's report cannot be presented earlier because the Government Printer is overworked. The Treasurer has told me many times, in answer to questions, that the Government intends to set up a new plant for the Government Printer and to site that department in another position, so that he will be better able to present these important documents earlier, but the Government does not appear to have a real plan for its building projects, and, in fact, it does not seem to be concerned with even its own Public Service accommodation. It may be concerned that there have been delays in printing certain documents and papers for this Parliament, but it is so long-winded about making the necessary arrangements that it has forgotten the promises it has made from time to time.

Mr. Hutchens—It is lucky for the Government that the public has forgotten them, too.

Mr. FRANK WALSH—Yes. There may come a time soon when the people remember some things the Opposition has continually brought to their notice. In all fairness to the press, I believe that if we on this side of the House were given a little more publicity, not only as to our criticism of the Government's faults, but as to our ideas for the betterment of the State, that time would arrive sooner.

The total "dead weight" on interest charges for 1958-59 was £6,330,000. The amount applicable to schools, hospitals, police and other buildings was £1,560,000, or less than one quarter of the total "dead weight" charges, but the amount applicable to railways and waterworks—two service departments—was £4,120,000, that is, two-thirds of the total "dead weight" charges. In the Railways Department the funds employed in the undertaking have been increasing over the years but, in view of the expanding economy, this is to be expected; but what is not to be expected is that the earnings do not keep pace with the capital expansion. Between 1954-55 and 1958-59 the funds employed increased by approximately £7,000,000, or 15 per cent, but the earnings during 1958-59 were approximately the same as they were four years earlier. No commercial business would have a hope of surviving if the owners continued to pour capital into it without increasing the earnings from the business. The same applies to the business of Government. If the Government continues to pour Loan funds into a public utility which

does not make any improvement in its return then, eventually, the Government will go bankrupt. In this same period the interest commitment has increased by approximately £600,000, or 40 per cent, and I noticed that at no time in this period did the Railways earn sufficient to cover working expenses, let alone have any surplus earnings available to make any contribution towards the interest cost of the funds employed in the undertaking. As a matter of fact, I consider the position of the Railways Department to be very grave, for the Government has seen fit to pour more than £20,000,000 from its consolidated revenue, in the last five years, into the coffers of the department in an attempt to keep the deficits to manageable figures. The department's officers are attempting to stop the rot by greater efficiency, but any improvements they have made towards the reduction of working expenses have been far outweighed by the rapidly mounting interest commitment. We have repeatedly warned the Government of the rapidly mounting public debt, with its consequential mounting interest commitment that has to be met irrespective of whether the grand schemes make any contribution or not.

The other major constituent of the "dead weight" charges relates to the Engineering and Water Supply Department. With the Adelaide sewers section the position is satisfactory: there is an increasing amount of funds employed, but there is also a gradual rise in the excess of annual earnings over working expenses, which is sufficient to make adequate contributions towards interest payments, but the waterworks side of the department is not so satisfactory. Our ears have been bombarded with the grand scheme to be carried out by the present Government with its major pipeline proposals. The Government has been quick to advertise the grand schemes it carries out but it is very loath to advertise the bitter pill that goes with the grand schemes, namely, the fact that we eventually have to pay for them. In years past the Adelaide water districts returned a surplus to the Government, but the position has so deteriorated that during 1958-59 every waterworks undertaking in the State showed a deficit. This position was evident for years, but the Government took no effective action to stop the rot. The financial position for the year just passed is worse because, with the very dry season, there has been very heavy pumping of water through the Mannum-Adelaide pipeline. I am in favour of large and developmental expenditure so long as I can see that immediately, or at some time in the near

future, there will be an adequate return from the public work to repay the money invested in it, but, with a large number of public works carried out by the present Government, there does not appear to be adequate consideration of how these public works, which are carried out at a very great cost, are to be paid for. At the present time the problems are all mounting up, but the Government is not facing up to its responsibility, seeing that it spends the money in the first place, nor is it taking adequate steps to repair the damage caused by its extravagant expenditure.

I firmly believe that there is no more efficient workshop in Australia, from the point of view of equipment and personnel, including engineers and all types of tradesmen, than the Islington workshops, and I do not think anyone will challenge that statement. We know that as a result of certain Government activities an oil refinery is to be established at Port Stanvac. Already much work is in progress towards this achievement. Provision is being made for a railway to serve that area, and we all know that the expenditure on that project will be made from Loan funds. I assume that then a different type of rolling stock will be needed and I hope the Islington workshops will not be by-passed in the supply of this necessary equipment. Now Loan money is being made available for the project, but at some distant date there may be sufficient earning capacity from the operation of the refinery to avoid the expenditure of Loan money. I repeat that Australia has no better equipped workshop than we have at Islington. It proved its value during the war, and it has engineers that in ability measure up to any other engineers. We have a work force that looks for better things at Islington. Why can't we make better use of that work force? Should the Commonwealth Government have gone to Japan for railway equipment? Surely it could have got a tender from the Islington workshops for the equipment it needed. Our Government does not hesitate to say how profitable is the operation of our South-Eastern forests. The Treasurer does not hesitate to say what a grand job the Government is doing in the South-East. We have been told that the timber industry has returned £300,000 to general revenue after expenses have been met but nothing has been said about spending more money in the South-East in the establishment of new industries. The timber workers need clothing, so why doesn't the Government establish a clothing industry

to provide work for female labour in the South-East?

Now that the Treasurer has returned to the Chamber, can he tell me when the Islington workshops will be used to better advantage and when the work force will be employed in producing more rolling stock and equipment? The workmen there know that some of the personnel who went from Islington to responsible positions in other States are coming back to Islington to investigate our diesel system. Does that indicate that some of the work now being done at Islington will go to the other States? The Islington workmen are fearful that they will be displaced. I suggest that the workshops be used to the fullest advantage. If they are used in this way there will be additional revenue for the State. I do not desire to go further into this matter now.

I mentioned earlier this afternoon that I would return to the subject of salaries and wages. I have just shown where additional revenue could be derived by the Government in getting the Railways Department to tender for work outside of its own railway system. However, there should certainly be some system of bonus or profit sharing to help in preventing a repetition of the Government's recent action in approaching the Arbitration Court and opposing just salary and wage increases for all workers in this State. This is particularly important because at the same time as the Government was parading its objections to these just claims it was also in the process of substantially increasing hospital, water, sewer and railway charges. Therefore, the Government must stand condemned in its presentation of this Budget because it has not attempted to curtail its own expenditure, but has only achieved its anticipated surplus by reducing the living standard of workers in this State. The Government has done this by increasing taxes and charges whilst at the same time opposing the just salary and wage claims of the workers who have to bear the additional costs imposed by the Government.

Mr. MILLHOUSE (Miteham)—Before discussing the Budget I join with the Deputy Leader of the Opposition in expressing sympathy to Mr. O'Halloran and his family in the illness that has befallen him.

I support the first line and congratulate the Treasurer on the magnificent Budget he presented, and on the clarity with which he set out the financial position of the State. I have not had the opportunity to study the 21 previous Budgets that our Treasurer has introduced.

I have been here only for the last five and I think the present Budget is easily the most satisfactory and optimistic of them all. I disagree with the Deputy Leader of the Opposition (Mr. Frank Walsh) because I suggest that the optimism is soundly based and not unjustified as he tried to say. In his speech the Treasurer said:—

The progress over the post-war years, which followed a war effort of which we were justly proud, has been quite unparalleled in Australian history. That record has now been capped by the State passing through the worst drought since settlement with its finances and its economy actually in better shape than ever before. We have entered the year 1960-61 with seasonal conditions and outlook as good as ever we have known them. . . . Now, in view of the favourable conditions and prospects I am proposing a surplus in the current year adequate to cover the £311,000 deficit of last year and leave a nominal surplus of just over £1,000 for the two years together.

Any Treasurer who can say that and the many other things in his financial statement deserves our sincere congratulations. The Budget is a balanced one, has optimism in it, and shows a thoroughly efficient and careful management of the State's finances. Mr. Walsh had a difficult job to do today. I cannot imagine anything much harder than trying to criticize the Budget. The honourable member did his best, but not once did he put a dent in it. All his criticism dealt with matters of detail, and it does not mean anything when examined.

Mr. Jennings—You will have equal difficulty in supporting the Budget.

Mr. MILLHOUSE—No. I feel that Mr. Walsh had as difficult a job in trying to attack the State Budget as Mr. Calwell had in trying to attack the Commonwealth Budget a few weeks ago. Mr. Calwell had no greater success in what he tried to do than Mr. Walsh had today. Mr. Walsh complained, and perhaps there was some justification for it, that he had no opportunity to study the Auditor-General's report. I have a copy of the report, and when Mr. Walsh was speaking I had my ear cocked listening to what he was saying, at the same time looking at the report. Consequently, I was kind enough to refer the honourable member, when he was discussing the matter of the dead weight of the public debt, to pages 15 and 16 of the report. If members generally look at the report—

Mr. Clark—We would have to wait for a copy. You are one of the favoured members.

Mr. MILLHOUSE—No. But I have an acquisitive instinct and I went to one of the front benches and picked up a copy. Members

opposite could do likewise. If members look at pages 15 and 16 of the report they will see an explanation of the increase in the dead weight of the public debt. If they look at those pages in conjunction with the Treasurer's statement they will see that much of the increase in the dead weight is of a temporary nature, because it includes £922,000 for the pumping of River Murray water. They should examine carefully this explanation before this criticize the increase in the dead weight of the public debt. I think Mr. Walsh was wrong in his attack on the Budget, and that is borne out by the introduction to the Auditor-General's report. I suggest that members acquire a copy of the report and look at the introduction. This is what Mr. Jeffery, the Auditor-General, said in his introduction:—

In general, it will be found that the accounts reflect the continued expansion due to increasing population and economic activity which called for additional government expenditures on social services and public utilities both from revenue and loan sources. Many of the works considered necessary to meet the requirements of social services do not give any significant direct financial return—The item I have mentioned is, of course, one of those—

whilst, in the case of public utilities, considerable expenditure has to be incurred on some large schemes before the undertakings become productive. Even after completion, all works of this nature do not recover costs. In consequence, to the extent that activities financed from loan funds were unable to recover the increase in operating costs and interest and sinking fund charges, a heavier burden was imposed on the taxpayer. Drought conditions which prevailed in most parts of the State adversely affected primary production, and in turn brought about a reduction in earnings of State undertakings associated with transport and export of meat and grain. Water supply costs were increased by the necessity for extensive pumping of water.

It seems odd that the Auditor-General, who is an entirely independent official of course, should not cast some reflections upon the management of the State's finances, as the Deputy Leader did, if, in fact, such reflections were justified. But that is not what we find in this report which contains several other interesting items. I have not had an opportunity of looking at them in detail, but this year—

Mr. Clark—We have not had the opportunity to see the report at all.

Mr. MILLHOUSE—The Deputy Leader said he had one.

Mr. Frank Walsh—I got it here at question time today.

Mr. MILLHOUSE—Then why are Opposition members not looking at it now? The first few pages in this report contain some innovations. On page 8 a graph shows the cost to the taxpayer of the functions of government. The Deputy Leader would profit from looking at this because it does not bear out the criticisms of the Budget he made this afternoon. This graph shows the position in each year from 1955 to 1960. It is set out easily so that it can be taken in at a glance. We find that the total cost to the taxpayer of the functions of government has increased from about £27,000,000 in 1955 to almost exactly £40,000,000 in 1960. What functions of government account for the increase? We see that the cost of public undertakings—and this explanation will be valuable to the member for Adelaide (Mr. Lawn)—has remained almost static. The cost of what are called “other activities” has remained almost static. The cost of the development and maintenance of State resources has risen hardly at all, but—and this is the significant point—the cost of education to the State has risen from about £7,000,000 or £8,000,000 in 1955 to about £13,000,000 in 1960. That shows by far the greatest increase in the cost of government. Then, on top of that, we find that the cost of the medical, health and recreation services has risen slightly, but not much, and law, order, etc., and social amelioration have risen hardly at all. So there we have a very valuable graph showing at a glance for the edification of members opposite and the fortification of members on this side just what increases in expenditure have taken place. Further on, honourable members will see another valuable graph.

Mr. Loveday—This is the only copy we have.

Mr. MILLHOUSE—Then the honourable member ought to be hanging on to my every word, and I hope he is. A lucid explanation is given. On page 12 a chart sets out receipts on consolidated revenue for 1950 and for the past five years; the receipts in 1950 were about £27,000,000, and they have risen by 1960 to about £74,000,000. That graph is divided into the various items from which the State Government obtains revenue. The amount received from the Commonwealth increased from about £11,000,000 in 1950 to almost exactly £30,000,000 in 1960. That is by far the greatest increase in receipts, of course. The receipts from public services in 1950 were about £3,000,000 and have now risen to about £12,000,000. The receipts from public under-

takings have remained almost static and (something that will not give any comfort to honourable members opposite) the receipts from State taxation have not increased at all in the last five years. I commend that graph also to honourable members if they care to look at it.

Mr. Jennings—When we get a chance to look at it.

Mr. MILLHOUSE—Yes. As I say, continue to hang on my words and you will get the explanation! On page 14 there is another graph “Payments from consolidated revenue for 1950 and for the past five years.” This time it is payments. I take only the last five years. Payments from consolidated revenue from public undertakings have remained almost static—hardly any variation at all. In the area of “other activities” there is hardly any change. The same applies to the development of State resources. There has been a considerable increase in interest and sinking fund charges, but the explanation of that—and I know this will appeal to the honourable member for Norwood (Mr. Dunstan)—is the fact that now most of the loans at 3½ per cent have matured and the interest rate has increased to five per cent or more.

Mr. Quirke—Is that an improvement?

Mr. MILLHOUSE—I do not say that, but it is an explanation of the increase, and I think it is the correct explanation. The payments for social services, including education and medical, have increased considerably. I suggest to honourable members opposite that, in view of the excellent explanation I have given them of those graphs, they will be grateful to me for drawing their attention to them. They will be able to see at a glance when they get their copies of this report just what the comparative financial position is in this State. I congratulate the Auditor-General upon the innovations in this year’s report. That is all I want to say about that for the moment.

As far as the details of expenditure for the coming year are concerned, we shall all have a chance to look at those and compare the proposals for this year with the Auditor-General’s report when we come to debate the lines.

Mr. Loveday—There are another 300 pages.

Mr. MILLHOUSE—Yes, and I look forward to reading them in due course. I just wanted to point out for the edification of honourable members opposite the salient features and innovations in this year’s report. We have had many complaints in the last ten minutes or so about the absence of this report. However, the Deputy Leader put himself under an

unnecessary handicap when he was referring to education, because he said then that the latest report available to him was for the year ended December 31, 1958, and he quoted figures from that report. However, if he cares to look on his file, on paper No. 27 he will find a report of the Minister of Education for the year ending December 31, 1959. So, as I say, he put himself under a rather unnecessary handicap when he endeavoured to criticize the Education Department and say that it did not have any plan for the development and expansion of its services in this State. If the Deputy Leader looks at this report he will see all the answers to the questions he posed.

Apart from those few comments upon the speech of the Deputy Leader, there is one general comment I should like to make about the Budget this year. It is a question of fundamental importance: the financial relationship between the States, and especially our State of South Australia, and the Commonwealth Government. I know that this matter has been aired many times in this House over the decades since Federation, but I am afraid that we are getting so used to the present arrangements, which at the beginning were hoped to be temporary, that we are coming to accept the position and forget how the present relationships grew up. I do not think that we should accept the present position tamely, but we are in danger of doing that unless we remember just how it came about. If we look at the estimated receipts for South Australia from all sources for the coming year, we find that the total is £85,828,407. Of that amount, £31,403,816 is to come directly from the Commonwealth Government and £30,700,000 of it is to come from taxation reimbursement grant. So, leaving the figures aside, over one-third of the total income of this State is given to us as a hand-out by the Commonwealth Government.

Mr. Lawn—That is not correct.

Mr. MILLHOUSE—I think it is.

Mr. Lawn—What if we had our own taxing powers?

Mr. MILLHOUSE—If the honourable member will bear with me for a moment while I develop the point, he will see the truth of what I am saying.

Mr. Lawn—That is not a hand-out, because of uniform taxation.

Mr. MILLHOUSE—Exactly. I do not know what the honourable member thinks about uniform taxation.

Mr. Lawn—I agree with it, but I would not say that that was a hand-out.

Mr. MILLHOUSE—Anyhow, let me develop this point for the interest of honourable members opposite and on this side as well. I suggest that without that income or hand-out from the Commonwealth Government it would be quite impossible for our State Government or any State Government to carry on its activities on the present scale. In other words, as I have indicated, we depend entirely upon the Commonwealth Government for the continuation of government on the same scale in South Australia: that of course, as we all know, was not the original intention of the Fathers of Federation or of the people of Australia when they decided to federate. The aim was to have the Commonwealth Government and the State Governments independent in their own spheres financially and in other ways, although of course, co-operation between the two as equals—the Commonwealth on one side and the States on the other—was always envisaged. That was the essence of the federal contract, but how different is the position today! Gradually, and sometimes not so gradually, the balance has been tilted in favour of the Commonwealth and to the disadvantage of the States. How has that come about? It has come about firstly because of the grants that were made to refresh members' memories, it reads as follows:—

During a period of 10 years after the establishment of the Commonwealth and thereafter until the Parliament otherwise provides, Parliament may grant financial assistance to any State on such terms and conditions as the Parliament thinks fit.

It was by virtue of that provision that the Commonwealth Grants Commission was set up. It has done a great job and has been a great boon to South Australia, but how much we rejoiced last year when eventually we became independent of it.

Mr. Jennings—We haven't rejoiced since.

Mr. MILLHOUSE—The member for Norwood gives one of his typical sneers and the member for Enfield supports him in that. They will have their chance, in due course, to contradict what I am saying. I suggest that we were highly delighted in this State when we became free of our dependence upon grants, pursuant to section 96, recommended by the Commonwealth Grants Commission. However, that is only one way in which the balance of the Constitution has been tilted. By far the more important way in which it has happened is through the uniform income taxation scheme. That has decisively tilted the balance against the States and in favour of the Commonwealth. Of course,

at the time of Federation income taxation was not the main source of governmental revenue, but in the intervening decades it became so all over the world. The lack of foresight of the founding fathers (and one can hardly blame them for not being able to prophesy that happening) left a loophole in the Constitution which Dr. H. V. Evatt, when Commonwealth Attorney-General, was not slow to exploit, and the result in 1942 was the uniform taxation scheme.

Mr. Dunstan—Good on him!

Mr. MILLHOUSE—The honourable member says "Good on him!" I know that members opposite regard this matter with complete equanimity but I am afraid that I cannot. That was the scheme Dr. Evatt worked out and which has been so successful for almost 20 years. It was embodied in four Acts of the Commonwealth Parliament. The first step was to levy a rate of income taxation approximately equal to the total of the previous Commonwealth and State income taxes. The second step was that the Commonwealth Government made grants to the States approximately equal to the amount they had themselves collected as income taxation, but on condition that the States themselves did not attempt to impose an income tax within their own borders. The third step was that the Commonwealth took over the State taxation staffs from the State Public Services to the Commonwealth Public Service, and the fourth step was to give priority to the right of collection of income tax to the Commonwealth over the States. Those four steps, each embodied in separate Acts of the Commonwealth Parliament, were sufficient, of course, to deprive the States of their taxing powers and that is the scheme which, with few modifications, has been in force now for almost 20 years, despite the fact that in most States now there are Liberal Governments and that there has been a Liberal-Country Party Government in Canberra for more than 10 years: Governments which have always opposed, or did at the time oppose, the scheme of uniform taxation.

Mr. Quirke—They are in power now and they don't oppose power.

Mr. Combe—They can't unscramble the egg.

Mr. MILLHOUSE—The honourable member may be right.

Mr. Quirke—When a Party is in power it does not oppose power.

Mr. MILLHOUSE—That may be the answer, but whatever it is the fact is that this scheme, which even Dr. Evatt expressed to be

only for the duration of the war, has lasted now for 18 years; I believe to the detriment of the federal system of government in this country. Members opposite (and I can see one looking quite smug and satisfied about it now) do not mind at all that that has happened because they do not favour the federal system of government. They are unificationists because they know that through unification and through the abolition of State Parliaments and the concentration of centralized power in the national capital they will the easier be able to impose their Socialist creed upon the people of Australia. I do not blame them for that: that is their avowed object, and let no-one forget it!

Mr. Quirke—On your own admission they are receiving considerable help today.

Mr. MILLHOUSE—That is right, and that is exactly the point I am making. It is time members of this House and the people of this State were reminded of the position and how we got into it. The Opposition does not care because at present we are going a long way towards achieving the policy for which it has always stood. That is its attitude, but mine is the absolute reverse because I strongly favour the federal system of government. I believe it is the form of government best suited to the needs of the people of Australia and I should like to give my reasons. Firstly, because I am a Liberal I believe in the diffusion of power. It is not a good thing (and the member for Norwood may smirk) to have a great mass of power centralized in one spot.

Mr. Loveday—Except in South Australia.

Mr. MILLHOUSE—Consistent with the needs of good and efficient government there should be the utmost diffusion of power in a country and the federal system does much to achieve that. Secondly, Australia is a vast country and the needs, outlook and problems of various parts are not the same. The problems and the needs of Northern Queensland are not the same as those of Tasmania or of south-western Western Australia, and because of these geographical conditions it is a good thing if various parts of the country are free to work out their own problems in their own way. Thirdly, we have the differences (members may call them accidental) which spring from historical causes—differences in outlook and background between the various States. The federal system, while it allows us all to be Australians, nevertheless allows us at the same time to be South Australians, Victorians and so

on. That, I think, is to the good of the whole country.

What has been happening in this country in the last two or three decades? The fact is that we have been steadily sliding towards complete power in the Commonwealth Government because (and the old expression is absolutely true) he who pays the piper calls the tune. The financial power of this country resides in the Commonwealth Government and therefore because it has the power of the purse it is in a position, if it so desires, to dictate to the States. It cannot be doubted by anyone that the Commonwealth has now become the dominating financial force in Australia and is therefore in that position. I suggest that in South Australia the evil of that domination has been to some extent masked for two reasons; firstly, because for more than the last 10 years there has been a Liberal Government in Canberra which has not abused its dominant position, although at times it does show signs of doing that (and I have no doubt that if the Labor Party were in office in Canberra it would quite unscrupulously, to carry out its own policy, dictate to the States policy on all sorts of matters).

Mr. Lawn—We know that the Treasurer said that the best Commonwealth Treasurer he ever dealt with was the late Ben Chifley.

Mr. MILLHOUSE—I may say something about that in a moment. However, that is one reason why this evil has been masked in the last decade or so. The other reason, and this is perhaps even more important, although members opposite may not entirely agree, is that for over 20 years now we have had as Treasurer of this State a man of outstanding ability and one of the most forceful and powerful personalities in the history of Australian politics, who has been able to fight successfully the battles of this State against the central Government.

Mr. Lawn—Are you speaking of the Premier?

Mr. MILLHOUSE—Yes.

Mr. Lawn—He believes in price control?

Mr. MILLHOUSE—That is right, and I don't.

Mr. Lawn—Is he right or wrong?

Mr. MILLHOUSE—He is wrong. Of course, members opposite cannot possibly understand the democratic working of our Party because their Party is not democratic. They cannot understand when members are allowed to hold and express their own points of view. That sort of thing doesn't happen in the Labor Party.

Mr. Harding—It only happens once.

Mr. MILLHOUSE—Yes. It would only happen once and "outski". That would happen to the member for Adelaide if he expressed disagreement with his own Party. However, we have to expect interjections from members opposite because, unfortunately, they do not understand the workings of a democratic Party. The workings of their own Party are the antithesis of democracy. While we are on this subject, one favour I would ask of members opposite (and as the Deputy Leader of the Opposition is occupying his seat he may assist me) is to supply me with a copy of the constitution of the Labor Party so that I can check the assertion I have made. I have the platform, and I am grateful to members opposite for that, but I should like from the Deputy Leader or one of his henchmen a copy of the constitution of the South Australian branch of the Australian Labor Party and then I could see whether I was right or wrong. However, I am being taken a little away from the point I was making: that the evils of the trend towards the all-powerful central Government have been masked in South Australia because of a Liberal Government in Canberra and because of the outstanding and powerful personality of our Treasurer. Those two conditions will not always obtain and then those of us who believe in the federal system of government will be in real trouble.

It is worse really that power should gradually slide towards the Commonwealth Government than that the Commonwealth Government should be given greatly increased powers by referendum, because at least then we can assume that those powers would be given upon some plan and for some purpose, but if power simply slides towards Canberra through its dominant financial position then, of course, the empty shell of the federal system will remain and the States will be no better than administrative agencies of the Commonwealth Government. The Commonwealth Government itself will be hampered by the then outworn trappings of the federal system as expressed in the Australian Constitution, and that would be the worst thing that could possibly happen. I have mentioned these matters at length because I suggest that it is necessary for us in this place to think of them from time to time. Many years have passed since the uniform taxation scheme came in and we have apparently got on so well that we tend to forget what the present position is but it is a depressing background to the magnificent Budget we are now debating. Members may ask why I bothered

to mention this matter. It is because of an article that appeared in the *Advertiser* last Saturday under the heading "Uniform Tax and States", and it purports to be a report of remarks made by the Prime Minister when delivering the first Southey Memorial lecture in law at the Melbourne University. It states:—

I doubt whether uniform tax will ever be changed. Except in one State, Victoria, I have seen no evidence of a real desire to recreate two independent direct taxing authorities. Most people, I think, feel that we have learned to live with uniform tax, and that to put the Constitutional clock back to a time before World War II is not feasible. If this is true . . .

Here I entirely agree with the Prime Minister—

. . . Australian Federalism has already sustained a great change which affects the originally designed balance or distribution of power.

That, apparently, is the attitude and outlook of the Prime Minister. It is not an outlook with which I agree or to which I will submit without making some protest and that is why I have raised this matter today. The member for Burra, when interjecting some time ago, said that those in power desired power. I think that is the gist of what he said.

Mr. Quirke—I said they would not surrender power.

Mr. MILLHOUSE—"That is true, too, and it has been borne out by the activities and actions of the Commonwealth Parliament in the last few years. Members may remember that in 1956 a Joint Committee of the Commonwealth Parliament on Constitutional Review was set up and its first report was printed on October 1, 1958. Subsequently in 1959 a far bigger report of the same committee, explaining the first one, was presented and that was dated November 26, 1959. There are two sad things about those documents, certainly for anyone who believes in the federal system of government. The first is that the Commonwealth Parliament presumes to examine the Constitution and the balance of the Constitution between the States and the Commonwealth without formally consulting the State Parliaments or the State Governments at all. That was a most regrettable omission. The second thing—and I am open to correction on this, although I think I am 99 per cent right—is that the only alterations suggested in the report increase the powers of the Commonwealth Parliament at the expense of the States.

Mr. Quirke—That is what it set out to do.

Mr. MILLHOUSE—That may be so. I am the last one, especially in view of what I have

said about the uniform taxation scheme, to say the Commonwealth Constitution does not need some review and overhaul. Of course it does. If the Federation is to remain a federation there must be some alterations of balance between the States and the Commonwealth, but they must be a two-way traffic. Some alteration must obviously be made to give back to the States a measure of financial independence and it may well be that after 60 years of the Constitution there are some powers remaining with the States which, because they are residual, should go to the Commonwealth Parliament. However, if that is to be done it must be a two-way traffic, but apparently the Commonwealth Government is trying to make it a one-way traffic.

Mr. Quirke—They hand out pennants for Loan money you know.

Mr. MILLHOUSE—That is so. I am not alone in what I have been saying about the federal system. Here I desire to respectfully adopt what the Honourable Sir Thomas Playford said.

Mr. Dunstan—What did the 18th century gentleman say?

Mr. MILLHOUSE—The honourable member comes in boots and all when he talks about the 18th century. It was a good thing for the people of Australia that, at the time the federal conventions were being held and the Commonwealth Constitution was being hammered out, the Labor Party was not properly organized or we would never have had a federal system. Our federal system of government is a 20th century system and I know a gentleman who sometimes, to the regret of members opposite, is very much in the 20th century. He is the Premier of this State, the Hon. Sir Thomas Playford. I have in my hand a little book, which I obtained from the Parliamentary Library, entitled "Federalism in Australia". It has apparently been pretty well thumbed and obviously many members of this House have read it from time to time. It is a collection of papers presented at the fifteenth Summer School of the Australian Institute of Political Science and one paper entitled "The Case for Restoring the Balance of the Federal System" is by Thomas Playford. Members will see from it that I am not alone in the views I have expressed and for that reason I should like to quote very briefly from this publication.

Mr. Loveday—In what year was it delivered?

Mr. MILLHOUSE—In 1948.

Mr. Riches—Is he right?

Mr. MILLHOUSE—He is dead right. The first quotation appears at page 82 of the book and it is:—

You may ask, "What are the objections of the scheme?" State Governments have had returned to them amounts of money which have been adequate to meet their requirements of government, and indeed they have been relieved of the disagreeable task of collecting it from the taxpayer. My objections to the proposals are these: it is a well known axiom that "he who pays the piper calls the tune,"—

I had prepared my notes for this speech before I read this book—

and the net effect of the plan has been that the States of the Commonwealth are now completely subservient in financial matters to the central government.

The article later states:—

State Parliaments have been relieved of the obligation of collecting taxation: they have also been relieved, however, of the requirement of accounting to the taxpayer for the money which they have received. The responsibility of government has been impaired.

Those are some of the things he said and this is the most important part of the lot. On page 85 the Treasurer said:—

You may ask "What effective steps can be taken to provide that essential balance which is so necessary for the effective government of a Continent as large as Australia?" I feel that the only remedy which may prove effective is to wake in the Australian people a consciousness of the disadvantages and the dangers inherent in the present trends towards totalitarianism.

I respectfully fully adopt what the Treasurer said on that occasion and I hope that by mentioning this matter this afternoon I will have reminded members of this House, the people of South Australia, and the people of Australia of the undesirable constitutional trend in this country.

Mr. Clark—What year was that?

Mr. MILLHOUSE—1948.

Mr. Clark—Would he still be of that opinion?

Mr. MILLHOUSE—I hope and believe he is still of that opinion.

Mr. Riches—The Prime Minister does not think so.

Mr. MILLHOUSE—The honourable member may well gloat a bit and he may have a point there, but certainly that is what I think and that is what I am trying to say now. Those are some of the considerations I wanted to put before the House this afternoon. There was another reason why I raised this matter. As I have already said, there is a tacit acceptance, and it is a growing acceptance, by the people of this country of the present financial arrangements. That leads, I believe, to a great deal of

irresponsible thinking on financial matters. People now seem to think that the State Governments have no money with which to do anything at all unless they go cap in hand for special grants from the Commonwealth Government and they think, in addition, that the Commonwealth Government has unlimited funds at its disposal to finance any project which may be suggested.

Mr. Quirke—How about running in double harness? I could work on that one.

Mr. MILLHOUSE—How do you mean? If the honourable member likes to come over to this side of the House we may be able to make a deal. That I believe is a very alarming trend which we see all over the place. I saw an instance of it only last week in the excellent newspaper which circulates in part of my electorate. This is in *The Coromandel* of Friday, September 16, 1960. I do not criticize in any way what is written in *The Coromandel* because it is without doubt—and I am sure all members of the House will agree—the finest suburban newspaper in Adelaide and probably the best local newspaper in the whole State. There is no denying that and I point out that it is all done by voluntary community effort and it is not a profit-making matter at all. I am very proud of *The Coromandel* and everybody in the district is. This is what we find in last Friday's edition:—

Re non-delivery of water to Upper Sturt—
That follows a question I asked on this subject—

we in Belair sympathize with them. Instead of thinking about national driving schools for teenagers and help for undeveloped countries, far, far, away water supplies for this country should come first—and if this means entirely from Federal funds, all right, why not?

That is typical of the thinking throughout this community and I mention it because it is a very prominent and recent example of that sort of thinking.

Mr. Quirke—Are you going to check that in the next issue?

Mr. MILLHOUSE—I do not know what the next issue will contain because I have nothing to do with the policy of the newspaper or its contents.

Mr. Quirke—You should answer that one.

Mr. MILLHOUSE—I will try to answer it now. The provision of a water supply is a matter for the State Government and has nothing constitutionally to do with the Commonwealth Government at all. The other assumption implicit in that comment is that the Commonwealth Government has tons of money to spend on all sorts of projects when,

in fact, it only has the money at its disposal to spend which it takes from the people of this country in the various forms of taxation. That is one example.

Mr. Riches—Do you know anything about the Commonwealth contribution to the Morgan-Whyalla pipeline?

Mr. MILLHOUSE—I refuse to be further drawn by the cunning shafts of the member for Stuart. That is one example which I give. There is another matter that I dealt with in another debate in this House, and that is the agitation for Commonwealth aid for education. The main cry is that the States have been doing their best, but that they have not the money to carry out the job. I have never been very impressed with that argument and I suggest that those who are using it should read, mark and inwardly digest the Treasurer's financial statement this year because it shows that that argument is completely false. I remind members that in the last Loan Estimates a sum of £4,700,000 was set aside for capital works of an educational nature. The Budget provides £11,783,000 for education and the total amount of £16,483,000 from Loan and Consolidated Revenue is to be spent on education in this State in the current financial year. I commend to the attention of all members the part of the Treasurer's speech in which he sets out the unprecedented growth that has occurred in the school-age population in this State, but it is the following statement to which I wish to refer particularly:—

It was most gratifying to me, and a tribute to the planning and budgeting of the Education Department, that I was able to approve and submit to this House expenditure proposals for the department to the extent of 98½ per cent of aggregate funds requested.

Almost all the moneys sought by the Education Department for the current year have been allocated to it in the Budget: 98½ per cent of the funds sought! That shows one of two things: either the Minister of Education has not done the wonderful job that I for one believe he has done and he does not know the needs of his own department (which I would not accept for a moment), or this State is spending sufficient to keep up with its increasing educational needs. These are the only two alternatives.

Mr. Clark—There is a third.

Mr. MILLHOUSE—I cannot think what it could be. Either the Minister has not asked for enough because he does not know enough

or he is not doing the job, which I summarily reject—

Mr. Clark—He knows he cannot get it.

Mr. MILLHOUSE—Do not let the honourable member put that over! The alternative which I suggest as being the correct one, and which should be conveyed to those who say that we do not have enough money to do the job, is that we are in fact keeping up satisfactorily with the educational demand.

Mr. Clark—You take a tour around South Australian schools and you will not need much convincing.

Mr. MILLHOUSE—The honourable member is, we understand, a member of the Labor shadow cabinet and is in charge of education.

Mr. Clark—I have not been told yet.

Mr. MILLHOUSE—I am sorry if I embarrassed the honourable member by going too far. I should be glad if he would be prepared to comment on the fact that 98½ per cent of the moneys asked for by the department were allocated to it.

Mr. Clark—The Minister has already commented on it.

Mr. MILLHOUSE—I will leave the honourable member to make his own speech on that matter. That is almost the only specific matter with which I desire to deal. It grows out of the main thesis that I have been developing this afternoon: that behind the wonderfully satisfactory picture disclosed by this Budget is the fact of our growing dependence upon the Commonwealth Government financially and, because the dependence is financial, it is a dependence in every other way. It may be too late already to reverse that trend. I hope that it is not, but at least I feel that we should think about it and come to a firm and distinct decision before it is too late to do anything but accept the present position.

I should like to refer to one other minor matter: a line providing £1,000 to the Charles Sturt Memorial Trust Incorporated. This, I think, is a generous and satisfactory gesture on the part of the Government. As members may know, the trust has been incorporated to take over and look after the home of Captain Charles Sturt at Grange. South Australia is not rich in historic monuments. This house, which of late years has not been kept in good repair and has not been an impressive structure, is one of the few historic monuments in and around Adelaide. It was purchased by the Henley and Grange Council, and I pay a tribute to Mr. Newlands, the Mayor of Henley and

Grange, for his interest and activity in the matter. It is to be used as a museum and I think it is fitting that the State Government has contributed £1,000 to the appeal. I mention this matter because I am a member of the appeals committee of the trust, which very much appreciates the Government's gesture.

That is about all I desire to say on the first line. I, in common with members opposite, shall have an opportunity after I have examined the 300-odd pages of the Auditor-General's report to speak in detail when we are debating the lines. I support the adoption of the first line.

Mr. HUTCHENS (Hindmarsh)—I listened with great interest to the speeches made in this debate today. I intend to refer at length to the remarks made by the Treasurer but before doing so offer my congratulations to the Deputy Leader of the Opposition on the excellent job he did this afternoon under great difficulty. He expressed appreciation to all members of the House for the services done and the kindnesses shown to Mrs. O'Halloran during the sickness of our Leader. As the first speaker of the Opposition to follow our Deputy Leader, I feel that I would be failing in my duty if I did not, on behalf of the Opposition and every member of this House, express sincere appreciation to the Deputy Leader for the time he spent and his kindness and persistent desire to assist Mrs. O'Halloran in any way possible in her misfortune. I cannot agree with the statement of the member for Mitcham that the Deputy Leader did not make a dent in the case. I am rather inclined to feel that we saw the weathercock in the cyclone this afternoon: we saw the honourable member for Mitcham pointing north, south, east, and west and at the conclusion he, like I, had no idea where he was going. One thing, however, will be obvious to anyone reading the honourable member's speech: that he has a deep, underlying fear that at the next Commonwealth election a Labor Government will be returned. We have no doubt that there is every reason for that fear. I waited, and was astounded at the audacity of the honourable member when he talked about democracy and unjustifiably criticized the Party of which I have the honour to be a member. He said we were not practising democracy. He was very definite about it, but in the very next breath he said he had never read the Labor Party's constitution. When a member has the courage to talk like that and then admit his ignorance, we can see the worth of his remarks. Somebody mentioned Cock Robin a moment ago.

There are some plucky birds in this world, and I was amazed to see that the member for Mitcham this afternoon vigorously attacked the Prime Minister's statements concerning uniform taxation. When the elections come around he will forget what he said this afternoon and will go around the State and, wherever he has the opportunity, will tell the world that the Prime Minister is a desirable type of gentleman and that he supports all the brightest and best ideas in politics. Not content with that, he made some comments about the Constitution Review Committee. He was courageous, but overlooked the fact that that committee was open to any member of the community wishing to tender evidence before it.

Mr. Dunstan—And people did.

Mr. HUTCHENS—That is so.

Mr. Dunstan—And members of the Liberal Party on the committee unanimously supported the recommendations.

Mr. Millhouse—I do not think they were unanimous.

Mr. Dunstan—There was only one dissenter on one point.

Mr. Millhouse—You should be accurate.

The CHAIRMAN—Order! The honourable member for Hindmarsh.

Mr. HUTCHENS—I was delighted when the member for Mitcham referred to a 1948 document and said that once again he was with the Treasurer. Of course, it is so often that he is out of step with him that it is amazing when he is in step. However, that is the way of it, and we march together in opposite directions.

Mr. Millhouse—Would you clarify that more?

Mr. HUTCHENS—I will do that. Like the weathercock, we were going all sorts of ways this afternoon. I have been interested in uniform taxation, and I have heard many claims from men purporting to be "States' Righters" that we must get back to full taxation rights. It has been reported in Liberal journals that our Treasurer has been a strong advocate of the return of taxing powers and the abolition of uniform taxation.

Mr. Millhouse—But, of course, you would not be sympathetic to that, because you are a Socialist.

Mr. HUTCHENS—I am making it obvious that on this occasion I agree that uniform taxation is the right and proper thing. I make no apologies for that. If we study the records of history we must admit that

the progress of every State in the Commonwealth, and particularly this State, has been greater under uniform taxation than previously.

Mr. Millhouse—Of course, the then Labor Government in Queensland joined in a challenge to uniform taxation.

Mr. HUTCHENS—Exactly, and that is the point I am going to make. In 1953 the now discredited Gair Government made a strong protest against uniform taxation. I shall now quote extracts from various papers in the Commonwealth after the important Liberal conference in South Australia. There was much talk from members opposite about uniform taxation, and the Treasurer of South Australia went to a conference. I remind Mr. Millhouse that he was not in the House at the time, but I believe that from his perambulator he was giving some consideration to politics. The following is taken from the *Advertiser* of July 8, 1952:—

Making his surprise offer, Mr. Menzies told the Premiers that the Commonwealth was abundantly and promptly willing to discuss the return of the States to the taxation field . . . The Premiers sat in silence for nearly a minute after Mr. Menzies had suggested that they might like to adjourn for half an hour to continue the proposal . . . The Premiers made no move to adjourn.

The report stated that the Premiers of Queensland, Western Australia, Tasmania and Victoria addressed the conference. The *Canberra Times* of that date reported the meeting as follows:—

The offer made by the Prime Minister caught the Premiers completely by surprise, and only three States, New South Wales, Victoria and Queensland, were prepared on the spot to accept the return of taxation.

What was wrong with this strong man about whom we heard so much this afternoon—this man who wrote a very daring article in 1948? I remind the honourable member that this matter was the subject of a conference, which made certain requests. We now go to Western Australia and read from the *West Australian*:—

The offer took the Premiers by surprise, but Mr. Cahill (New South Wales) agreed to the abolition of uniform taxation . . . On the suggestion of Mr. Playford (South Australia) the conference decided that a committee of financial experts should be set up this week to advise a special meeting of Premiers.

He was not very sympathetic on that occasion. We read from the *Sydney Morning Herald*:—

Political observers believe the line-up of the Premiers on the taxation proposal is: Mr. McDonald (Victoria)—definitely wants his own taxation power; Mr. Cahill (New South Wales)—less anxious than Mr. McDonald; Mr. Playford (South Australia) and Mr. Gair (Queensland)—lukewarm about the proposal; Mr.

McLarty (Western Australia) and Mr. Cosgrove (Tasmania)—fear.

The *Sydney Daily Telegraph* published the headlines "Uniform tax to go—Federal move stuns Premiers". The *Hobart Mercury* reported on the move as follows:—

The State Premiers were completely surprised at their conference today when the Commonwealth offered to abandon the uniform taxation system and return taxing powers to the States. The offer was made by the Prime Minister, but only three States, New South Wales, Victoria and Queensland, were prepared on the spot to accept it.

I think that is a complete answer to what Mr. Millhouse has been trying to convince the public and the House this afternoon. When things are different they are not just the same. The honourable member contradicted himself so much this afternoon that it is not necessary for me to go any further.

The proposed expenditure this year is £85,000,000—no small sum. One must make some comparisons. Ten years ago the figure was £33,000,000, so we have an increased expenditure of £52,000,000. It makes one feel that we are being compelled to spend considerably more money in the affairs of the country to keep services, which are so important to industry, going, and it makes us appreciate the development, not only of this State, but of Australia. The Deputy Leader of the Opposition has already lodged a complaint about the impossibility of members studying the Auditor-General's report. I was interested to hear Mr. Millhouse say that he had read the report.

Mr. Millhouse—I did not say that.

Mr. HUTCHENS—I think he convinced the House that he had not studied it. He had not the time to do so, and he led himself into some state of confusion. I believe that our Treasurer, more than any other Treasurer in Australia, is an overworked man. To carry out the functions of his office he must have a considerable staff to assist him. This is a team of experts, who work for months in preparing financial statements. No-one begrudges the Treasurer that assistance, for it is all-important to the welfare of the State. It is the duty of all honourable members to study the report thoroughly. We should have the opportunity to make the fullest possible investigation and I submit that that has not been possible within the time that has been available to us since the Auditor-General's report was submitted. It was tabled this afternoon at 2.10 o'clock, and I am sure that no honourable member would claim that between then and 3.15 he could study the 300 pages of the report. They would

involve days of study. If a representative of a subsidiary company had to attend a shareholders' meeting, and then reported back that he had voted for the acceptance of a statement of receipts and expenditure without first having seen the auditor's report, he would not be viewed very kindly. This afternoon we are obliged to discuss the first line of the Estimates without having had time to make a proper investigation. As a Parliament we are denied a public accounts committee and it seems we are not told the whole story of the State's receipts and expenditure. I congratulate those who had any part in the preparation of the Treasurer's financial statement. The Treasurer paid a great compliment to the experts who had assisted him and I agree that they did a very good job. I think they were more than experts—more in the category of geniuses.

There are one or two extraordinary things in the Treasurer's remarks. For example, I quote the following:—

As a consequence of this extraordinary improvement in the State finances, which makes very clear the strength of our economy, the Government was able to take immediate action in releasing Loan funds, hitherto earmarked to finance a large revenue deficit, to ease the more urgent demands in house finance and construction and in essential public works. It was able to put in train immediately plans for more comprehensive housing and other works than had previously seemed possible. In particular the Government was able to announce a plan for rapid replacement of temporary homes by permanent dwellings and call for immediate tenders for the work.

Earlier this afternoon I questioned the Treasurer regarding the plan of the Government and the Housing Trust for the replacement of emergency houses. I agree that it is good that they should be replaced as early as possible. I gathered from his reply that this work will not be as easy as his remarks would have us believe. As we have already had some experience of the housing programme, I am wondering whether these replacements will result in one extra house next year. South Australia has no shortage of applicants for houses. We have heard on more than one occasion that the number of applications is approaching 10,000 a year, but the Housing Trust during the 12 months ended June 30, 1959, was able to build only 3,174 houses. It admits in its report that during this period it received more than 10,000 applications. We have heard it said that the housing position is improving, and therefore one would have assumed that the number of houses being built each year was rapidly increasing. However, when we get the figures of new houses built, including owner-built homes, we

find that the contrary is the fact. According to the trust's reports, the total number of houses built in 1955-56 was 8,377; in 1956-57 the number dropped to 6,832; and in 1957-58 it was 6,951.

Mr. Jennings—Despite our growing population.

Mr. HUTCHENS—Yes. The increase in our population has been colossal, but we were not building the number of houses we were two years previously. One could go on and quote the number of houses completed, which tells the same story. I feel that we must have additional houses if we are to replace the emergency houses, but I am not over-confident about the future in that respect. Another example that gives cause for concern is contained in the following remarks by the Treasurer in his Budget Speech:—

The Government has no present proposals for any special increase in taxes and charges. The Government will . . . re-examine charges for services.

We heard also that South Australia's tax and Crown charges remain on balance the lowest in Australia, but on examining the charges in other States I find this statement to be a little misleading. I believe there are very good reasons why South Australia should have the lowest charges, because it has the lowest average wage of any State in the Commonwealth. If we do not pay at one end it is quite unreasonable to charge at the other end. Let us examine the position regarding the comparative wage rates of male employees in Australia. On an average the employee in New South Wales receives £52 16s. a year more than the South Australian employee, and if all male employees in South Australia received the same wage rate as those in New South Wales we would pay an additional £1,500,000 yearly in wages. With that amount in their hands, the workers could pay a little more for State services and still be better off. If we were paying the same average rate of wages as Victoria we would have to pay out another £540,000; if the same as Queensland we would be paying out an additional £270,000; and if we paid the same average rate as Western Australia we would pay another £1,067,000. If we were paying the same average wages as Tasmania our employees would receive £41 12s. a year more than they do now, and we would have to pay £1,252,000 more in wages.

Mr. Lawn—You are speaking about this "strong man" State.

Mr. HUTCHENS—Yes. When we look at charges for public wards in hospitals and one or two other charges we find that it is not

true to say that we are charging less for our services than other States. The following table gives a comparison of charges for public wards in public hospitals in the various States:—

	Per day.		Per week.	
	£	s. d.	£	s. d.
South Australia	3	0 0	21	0 0
Victoria	3	0 0	21	0 0
Tasmania	3	0 0	21	0 0
Western Australia	2	16 0	19	12 0
New South Wales	1	16 0	12	12 0
Queensland	—	—	—	—

That table shows that even the people of Western Australia are getting hospital treatment at a considerably cheaper rate than the people in South Australia. The charge in New South Wales at present is £1 16s. a day, or £12 12s. a week, but I must admit in all

fairness that these charges will be increased from October 1. However, the increase will take the charges up to only £2 4s. a day, or £15 8s. a week. I remind members that the worker in New South Wales receives £52 a year more than the worker in South Australia, so there is no reason to claim that we are so well off. Public wards in Queensland public hospitals provide free treatment.

I have made a comparison of rail charges from information obtained from the Western Australian *Government Gazette* of August 31 and the South Australian *Government Gazette* of July 14 of this year. A table which I have compiled to show what South Australians pay over and above the people of Western Australia for similar rail services is as follows:—

Miles.	Weekly.		Monthly.		Quarterly.		Half-yearly.		Yearly.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
5	0	2 3	0	7 0	1	7 0	2	11 0	4	18 0
10	0	4 6	0	18 0	2	9 0	4	3 0	5	9 0
15	0	6 6	1	6 0	3	9 0	6	11 0	12	9 0
20	0	5 9	1	6 0	3	9 0	6	11 6	12	14 0
25	0	3 0	1	5 0	3	8 0	6	9 0	11	16 0
30	0	3 9	1	8 0	3	17 0	7	3 6	14	1 0
32	0	3 6	1	9 0	3	18 3	7	8 9	14	3 0

Mr. Hall—Does all this show that we in South Australia are worse off financially overall? What about the Savings Bank deposits?

Mr. HUTCHENS—The honourable member will have his opportunity presently, and I know he will make the best use of it.

Mr. Clark—What makes you think that?

Mr. HUTCHENS—In order that the member for Gouger and others may have an opportunity to study the figures, I have taken out tables which give a comparison of rail fares in Western Australia and South Australia, over distances ranging from five miles to 32 miles. I ask leave to have those tables inserted in *Hansard* without my reading them. Leave granted.

Western Australian Government Railways Commission—Periodical Tickets.

Miles.	Weekly.		Monthly.		Quarterly.		Half-yearly.		Yearly.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
5	0	8 6	1	14 0	4	9 0	8	9 0	16	0 0
6	0	9 6	1	18 0	5	0 0	9	10 0	18	0 0
7	0	10 6	2	2 0	5	10 0	10	9 0	20	0 0
8	0	11 3	2	5 0	6	0 0	11	8 0	21	15 0
9	0	12 3	2	9 0	6	10 0	12	7 0	23	10 0
10	0	13 0	2	12 0	7	0 0	13	6 0	25	5 0
11	0	14 0	2	16 0	7	10 0	14	5 0	27	0 0
12	0	14 9	2	19 0	8	0 0	15	4 0	28	17 6
13	0	15 9	3	3 0	8	10 0	16	3 0	30	14 0
14	0	16 6	3	6 0	9	0 0	17	2 0	32	10 0
15	0	17 6	3	10 0	9	10 0	18	1 0	34	6 0
16	0	18 3	3	13 0	10	0 0	19	0 0	36	2 0
17	0	19 3	3	17 0	10	7 6	19	14 0	37	9 0
18	1	0 0	4	0 0	10	15 0	20	8 0	38	16 0
19	1	1 0	4	1 6	11	0 0	20	18 0	39	14 0
20	1	1 9	4	3 0	11	5 0	21	7 6	40	12 0
21	1	2 9	4	4 6	11	10 0	21	17 0	41	10 0
22	1	3 6	4	6 0	11	12 6	22	2 0	42	0 0
23	1	4 6	4	7 0	11	15 0	22	6 6	42	8 6
24	1	5 0	4	8 0	11	17 6	22	11 0	42	17 0
25	1	5 6	4	9 0	12	0 0	22	16 0	43	6 6
26	1	5 9	4	10 0	12	2 6	23	1 0	43	16 0
27	1	6 0	4	11 0	12	5 0	23	5 6	44	4 6
28	1	6 3	4	12 0	12	7 6	23	10 0	44	13 0
29	1	6 6	4	12 6	12	10 0	23	15 0	45	2 6
30	1	6 9	4	13 0	12	11 3	23	17 6	45	7 0
31	1	7 0	4	13 6	12	12 6	24	0 0	45	12 0
32	1	7 3	4	14 0	12	13 9	24	2 3	45	16 0

South Australian Railways—Periodical Tickets.

Miles.	Weekly.		Monthly.		Quarterly.		Half-yearly.		Yearly.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
5	0	10 9	2	3 0	5	16 0	11	0 0	20	18 0
6	0	11 9	2	7 0	6	7 0	12	1 0	22	18 0
7	0	13 3	2	13 0	7	3 0	13	12 0	25	17 0
8	0	15 0	3	0 0	8	2 0	15	8 0	29	5 0
9	0	15 9	3	3 0	8	10 0	16	3 0	30	14 0
10	0	17 6	3	10 0	9	9 0	17	19 0	34	2 0
11	1	0 0	4	0 0	10	16 0	20	10 0	38	19 0
12	1	0 9	4	3 0	11	4 0	21	6 0	40	9 0
13	1	2 6	4	10 0	12	3 0	23	2 0	43	18 0
14	1	3 3	4	13 0	12	11 0	23	17 0	45	6 0
15	1	4 0	4	16 0	12	19 0	24	12 0	46	15 0
16	1	5 0	5	0 0	13	10 0	25	13 0	48	15 0
17	1	5 6	5	2 0	13	15 0	26	3 0	49	14 0
18	1	6 6	5	6 0	14	6 0	27	3 0	51	12 0
19	1	7 0	5	8 0	14	12 0	27	15 0	52	15 0
20	1	7 3	5	9 0	14	14 0	27	19 0	53	2 0
21	1	7 6	5	10 0	14	17 0	28	4 0	53	12 0
22	1	7 9	5	11 0	15	0 0	28	10 0	54	3 0
23	1	8 0	5	12 0	15	2 0	28	14 0	54	11 0
24	1	8 3	5	13 0	15	5 0	29	0 0	55	2 0
25	1	8 6	5	14 0	15	8 0	29	5 0	55	12 0
26	1	9 0	5	16 0	15	13 0	29	15 0	56	11 0
27	1	9 3	5	17 0	15	16 0	30	0 0	57	0 0
28	1	9 6	5	18 0	15	19 0	30	6 0	57	11 0
29	1	9 9	5	19 0	16	1 0	30	10 0	57	19 0
30	1	10 3	6	1 0	16	7 0	31	1 0	59	0 0
31	1	10 6	6	2 0	16	9 0	31	5 0	59	8 0
32	1	10 9	6	3 0	16	12 0	31	11 0	59	19 0

Mr. HUTCHENS—The Deputy Leader took up the challenge regarding the statement made by the Treasurer that we have just been through the worst drought since settlement in South Australia. I, too, have had a look at this matter. I do not gainsay the difficulties that a dry season causes to a State and to any Government. I did not take out the rainfall figures, which I appreciate were very low, but from the production figures it appears to me that although the rainfall was low in some parts it must have been much better in others. Bushels to the acre is the thing that really counts. In the so-called drought year of 1959-60 we averaged 7.7 bushels of wheat to the acre, whereas in 1914 we averaged only 1.41 bushels. In 1959-60 we averaged 9.19 bushels of barley to the acre, compared with 6.85 in 1914. In 1959-60 the average for oats was 4.95 bushels, compared with 2.62 in 1914. In 1959-60 we averaged .84 tons of hay to the acre, and in 1914 the average was .47 tons. That indicates that the average yield an acre in 1959-60 was not as bad as it was in 1914, and I am glad that it was not.

Mr. Heaslip—Costs were considerably different.

Mr. HUTCHENS—That is so, but I remember that in 1914 prices were very much less than in latter years. I therefore do not know

that the argument regarding costs enters into the matter. We find a similar position regarding livestock. It is regrettable that we must lose livestock, but the fact remains that we did not lose as big a percentage of livestock in 1959-60 as we did in the tragic drought of 1914.

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

Mr. HUTCHENS—The decline in our sheep population during 1959-60 was 1,500,000 out of a total of 18,000,000, whereas in 1913-14 the decline was 1,250,000 out of a total of 15,000,000. The decline in cattle in 1959-60 was 76,000 out of a population of about 600,000, whereas in 1913-14 it was 73,000 out of about 300,000. These figures show that the losses in the 1913-14 drought were greater than in the drought of 1959-60. I do not want it to be said that I am unsympathetic towards the man on the land, because I am sympathetic. We have had a drought, but it is stretching the imagination to say that it was the worst on record. Whatever planning is done we must plan with due regard to the fact that Nature is still the most important factor in our economy. It was said that more than 9,000 miles of mains convey water under pressure to 96 per cent of the citizens of the State. That sounds good, and it is in many

respects, but it gives an entirely wrong impression. In his Budget Speech the Treasurer said:—

I have spoken on this matter at greater length than has been my custom, but there is a considerable amount of untidy thinking regarding water and sewer rates and it is necessary, I believe, to emphasize the important part which water plays in the economy of this State and at the same time to point out that the State's natural water disadvantages have not prevented the Government from placing its citizens in a position at least as advantageous as the citizens of any other State.

I think the reference to "untidy thinking" is an understatement. Why add to the muddled thinking by talking in that way? I am not opposed to increased water and sewer charges, but the Treasurer's statement was misleading. It was made only for the purpose of gaining political favour and with a complete disregard for the welfare of the State. The *Pocket Year Book* shows that approximately 61 per cent of the State's population is in the metropolitan area. At least 14 per cent is within 50 miles of that area, and another five per cent is along the River Murray. Excluded from that 5 per cent is the percentage calculated to reside within 50 miles of the metropolitan area. Another 6 per cent of the State's population is in six main towns. Only a small portion of the State receives water under pressure.

I do not deery the efforts of Parliament and the department in this matter. South Australia has much to be proud of following on the efforts of the department, but Parliament and the people must face up to the problem of providing more water soon. We should not forget the determination displayed by the pioneers of this great country. They worked without comfort. They did it cheerfully and they paid the price with discomfort. They did not enjoy the services that many enjoy today because of progress. There must be an appreciation that water is essential for our rural and industrial development. Only 4 per cent of the State receives an average annual rainfall in excess of 20 inches, and much of it is in the area piped for water. All our reservoirs are subject to drought periods, and for that reason our water supplies are closely bound up with the River Murray. We are fortunate in having such a river within our boundaries. About 400 miles of the river are in South Australia. Apart from the cost aspect, there are many matters to cause us concern in the pumping of River Murray water in large quantities over long distances. That river does

not have an inexhaustible supply and it is subject to drought periods. Each year there must be a greater realization of the advantages to be gained from the irrigation of land adjacent to the River Murray. Since the establishment of the irrigation settlements by the Chaffey brothers in 1887 there has been a steady development in this field. With financial assistance from the Government the development has been amazing. No doubt the decline noticed in recent months is due to a lack of finance. All members would like to see more money made available for development in this way.

Today I re-read the maiden speech in this House by the honourable member for Chaffey. He explained the advantages to the economy of the State of the development of irrigation areas along the River Murray. We must take every care in the development of our water distribution. We must have regard to our knowledge of drought periods and preserve sufficient water not only for the further development of irrigation settlements but for their retention in adverse seasons. From the study that I have made of this subject of water distribution I can say that many great problems are ahead of us. Compared with our achievements in this matter, our problems will be substantial. I have every sympathy for those endeavouring to meet the problems and wherever possible I will give my assistance, but we can only develop the State to the fullest advantage when water is made available in our drier areas. Two things could be done in the near future. One is the purification of polluted water so that it can be used again, and the other is the demineralization of sea water and pumping it by means of nuclear energy. The former would be costly, and to many it would be objectionable. I hope it will not be necessary but if it were done it would only be a temporary solution of the problem. The second scheme is also costly, but I think it is the only true one that would provide for satisfactory production throughout the State. I suggest to the Minister of Works that efforts might be made to get the public to appreciate how important water is to our State. I read recently that water consumption had increased from 70 to 112 gallons per head of population.

The Hon. G. G. Pearson—Per person per day throughout the whole year?

Mr. HUTCHENS—Yes. It is a matter for concern and we should try to convince the public that it should do all possible to assist in the development of the State by watching more closely the consumption of water.

I want to let the House know where I stand in regard to complaints. I have told everyone who has complained to me that it is a case of either paying or having no services or progress. We are getting many modern conveniences, such as hot water systems, but also many undesirable habits are practised—for instance, water being turned on and allowed to run away. The plug is not put in the basin and thousands of gallons are lost each year through neglect in this way. Then there is the gardener who never considers mulching and is never prepared to save water. With a little education from the right sources, people would become more conscious of the great part that water plays. It is sometimes said "If I am to pay for my water, I shall use it whether or not I want it." That is not the right attitude and people owe the State more than that. The Minister might consider embarking on a programme of education in this respect, which I am sure would yield good returns.

The Deputy Leader this afternoon drew attention to water assessments and also to a question asked by the Leader, in these terms—

What is the estimated amount that will be received as the result of such re-assessment? He mentioned water, not sewers. The Minister replied:—

£495,000, compared with a loss last year totalling £2,211,435.

I know that no State can continue losing like that: those losses have to be met. In his statement on this line of the Estimates the Treasurer said:—

Receipts from water and sewer charges are estimated at £6,283,000, an increase over last year's receipts of £1,200,000. Of this about £200,000 is the natural increase in revenues due to increased supplies and connections for both water and sewers, whilst approximately £1,000,000 will result from revaluations of assessed properties upon a more up-to-date basis.

Does this mean that sewer charges are estimated to increase by a total of £500,000 or thereabouts? It will be a matter of Government policy. I do not suggest it is done with any desire to be unfair, but it appears to me that, in local government areas where new assessments are made, the ratepayer is advised by notice of increase of the new assessment and given the right to appeal. The assessments made under the appropriate Act are somewhat different and, in accordance with the Act, a notice is inserted in the *Government Gazette* advising that the new assessments have been made, that the new assessments can be seen at the department's office between 11 a.m. and 3 p.m. and that the right of appeal ends one

month after the notice appears in the *Government Gazette*.

Mr. Jennings—How many people read the notice in the *Gazette*?

Mr. HUTCHENS—I should like to reply "100 per cent," but the fact remains that the taxpayer does not realize that he is up for a new assessment until he gets his account, and then it is too late to appeal. Both the Minister in Parliament and the Engineer-in-Chief made statements and, as they are similar, I need read only one of them:—

Notice of this year's assessment was published in the *Government Gazette* on July 14. Ratepayers had until August 15 to appeal. Mr. Dridan said that if any ratepayer was dissatisfied with the valuation placed on his property, he could at any time approach the Chief Assessor.

Of course he could, but it does not say that he has the right of appeal. I do not suggest sending out notices to every taxpayer but I think some notice could be inserted.

Mr. Dunstan—Councils send out assessments.

Mr. HUTCHENS—Yes, and I think it is desirable that every person who is re-assessed should be notified and by notice given the right to appeal. But, if that cannot be done, I think at least public notices could be repeatedly inserted in the press. That would save much confusion and unwarranted prejudice against the department.

Before leaving the line dealing with the Engineering and Water Supply Department, I draw attention to the amendments tabled in respect of the operations of plumbers. I pointed out to the Minister that 282 regulations were inserted in the *Government Gazette* of August 18 of this year that plumbers must abide by, and they are not published anywhere else. When I asked the Minister whether the master plumbers and plumbers were being advised, I was informed that the Master Plumbers' Association had studied the regulations for some time and had not suggested any alterations. I have studied them. There are no sweeping changes, but this is a matter important to health. It should be publicized and at least if the public is not given some opportunity the Plumbers' and Gasfitters' Union should be given the same courtesy as the master plumbers, because a member of the Plumbers' and Gasfitters' Union has to submit himself for examination and is subject to deregistration if he offends against these regulations. As in the case of other regulations, these regulations should be submitted to the Joint Committee on Subordinate Legislation and tabled in Parliament for examination,

because they are so costly to put into effect and have a real bearing upon the health of our community. Some of the regulations are not beyond doubt. At page 461 of the *Government Gazette* of August 18 last there is reference to the Sanitary Plumbers' Examining Board and examinations. Regulation 10 says:—

There shall be constituted a board appointed by the Minister to be called "The Sanitary Plumbers' Examining Board", which shall consist of:—

- (a) Two officers of the department, one of whom shall be appointed by the Minister as chairman of the board, and the other as deputy chairman.
- (b) A person appointed by the Minister on the recommendation of the Council of Management of the Master Plumbers' Association of S.A. Inc.
- (c) A person appointed by the Minister on the recommendation of the South Australian branch of the Plumbers and Gasfitters' Employees' Union of Australia.

I have no fault to find with the composition of that board, but we also have another board, the Plumbing Advisory Board, which leaves something to be desired. At page 469, paragraph 58 reads:—

There may be constituted a board appointed by the Minister to be called "The Plumbing Advisory Board", which shall consist of:—

- (1) Two officers of the department, one of whom shall be appointed by the Minister as chairman of the board and the other as deputy chairman.
- (2) The headmaster of the Plumbers' Trade School of the South Australian Education Department.
- (3) A person appointed by the Minister on the recommendation of the Council of Management of the Master Plumbers' Association of S.A. Inc.

It seems a little strange that on the Sanitary Plumbers' Examining Board, which holds examinations, there is a representative of the Plumbers' and Gasfitters' Employees' Union of Australia; yet on the Plumbing Advisory Board there is no workers' representative. Under the powers of this board, members may be deregistered; so it is not trial by jury: it is left to the employer who may, of course, have some prejudice against an employee and it may be a case of victimization. I make this appeal so that in future consideration will be given to amending the composition of this board to permit the appointment of a workers' representative on it. It would be a good thing for these regulations to be examined by the Joint Committee on Subordinate Legislation.

Mr. Jennings—You should double the salaries of the committee members first!

Mr. HUTCHENS—I would not object to that for I believe that Parliament should retain its sovereign powers and investigate every law made. It is the supreme law-making machine and no law should be made without its sanction. Regulation 72 is most confusing. It states:—

Concrete, unless otherwise ordered, shall consist of one part Portland cement, two parts washed sand to specification and four parts metal to specification. This mix shall be thoroughly mixed with clean water for a minimum time of 1½ minutes, only sufficient water shall be added to provide a workable mix, which, in any case, shall not exceed 6 gallons of water per bag of cement.

I asked three experienced persons what was meant by "a minimum time of 1½ minutes" and one said, "Well, it has to be mixed for 1½ minutes in a mixer;" the second said, "I don't know;" and the third, "We don't care." I do not think the time of mixing is important, but the time that elapses between mixing and use is important. The point I stress is that when a law is made it should be clear. Regulation 46 relates to materials that must not be discharged into sewers and they include animal matter, petrol or other inflammable or explosive substance whether solid, liquid or gaseous, any rain or surface waters, the contents of any night soil cart, septic tank, cesspool or privy, any trade waste, any liquid or other substance which contains common salt or any other mineral soil, acid or gas. Common salt! Does that mean that a kitchen sink cannot be connected? All cooking has some salt in it. Does it mean that a water softener cannot be connected? That provision is not clear, and I am certain that if examined by the Subordinate Legislation Committee it would not be accepted. It is unreasonable to expect a plumber to know what that means. Amendments should be made to the Act to enable our Parliamentary committees to examine these regulations and to protect the public.

Whilst I have no desire to visit any of our gaols and prisons, I have heard complaints concerning the activities of the inmates of these institutions. Let it be clearly understood that I am not opposed to prisoners working. I believe they should, particularly when it aids their rehabilitation. I understand that bricks are manufactured in our gaols and while they are used exclusively for the construction or repair of Government buildings, no-one can object. However, if they are sold for other purposes—

Mr. Quirke—They sell a considerable quantity annually to the Housing Trust; I believe about 12,000,000.

Mr. HUTCHENS—I hope they are sold at a fair price. Laundry work is undertaken in our prisons, and I have been advised by private laundry operators that the prisons are competing on the outside market. I have no proof of that allegation, but I have heard these complaints from private laundry owners. If the prisons are competing, the Government should fix a fair price to enable the private laundry operators to compete on an equal footing. We realize that some persons, for their own and the public safety, are imprisoned and do not receive wages, but it is contrary to fair trading practice that the prisons should compete with private operators who have to pay wages to employees.

Mr. Quirke—The gaols have a most efficient laundry service.

Mr. HUTCHENS—I do not doubt that.

Mr. Dunstan—They should not deprive people of employment through cutting prices.

Mr. HUTCHENS—That is so, and it is alleged that they are. I turn now to the Queen Elizabeth Hospital. I believe greater care should be taken in the maternity wards of that hospital in placing patients. On two occasions I have noticed four or five patients in a ward, each speaking a different language. That is not helpful to the patients. On May 10 I asked the Treasurer whether there was any applicant with nursing qualifications superior to those of the person appointed to the position of Deputy Matron of the Queen Elizabeth Hospital, and the reply was that the office of Deputy Matron was a purely administrative post and there was no applicant who held a superior qualification in the realm of nursing administration. I have no personal feeling against the person who was appointed. In fact, I have known her and her family for many years and have been extremely friendly with them. Indeed, I have often wondered how such a nice fellow as her brother could be a member of the Liberal Party, but that is by the way. I do not suggest that the Minister would knowingly make an incorrect statement, but through the nurses' organization I was able to secure information about the qualifications of some of the applicants for this position, and I have authority to mention their names. One applicant was Sister Myrtle North, who possesses the qualifications of Fellow of the College of Nursing (Australia); Diploma of Nursing, Birmingham University; Midwifery Tutor, Royal College of Nursing (London); co-editor of a textbook on midwifery used in the Queen Elizabeth Hospital; 25 years' experience in midwifery; Tutor,

College of Nursing (Australia) for Midwife Teachers; and most highly qualified midwifery nurse in Australia. Another applicant was Sister Ruth Routledge, who has the qualifications of Sister Tutor Diploma, College of Nursing (Australia); Training School Administration (with distinction); Fellow, College of Nursing (Australia); has held every position in Government hospitals with experience in all departments of ward administration and teaching; has more years of service in Government hospitals than the appointed person; at the Royal Adelaide Hospital has been staff nurse, charge sister, tutor sister, home sister and acting night matron; at Queen Elizabeth Hospital has been senior tutor sister; has the General Nursing Certificate, securing the gold medal for top in the State; and has the Midwifery Nursing Certificate, securing the gold medal for top in the State and was matron of Port Lincoln Hospital. The successful applicant has the General Nursing Certificate and the Midwifery Certificate.

It is obvious that there were applicants with far greater qualifications than the successful applicant, and I do not know why the Treasurer was advised that there were no sisters with higher qualifications. I think this warrants an inquiry because, with all due respect to the successful applicant, qualifications must be considered. If there were other reasons that aided her appointment, then the other applicants were entitled to know them. If diplomas and other qualifications are not going to be acknowledged, then we will discourage people from putting in years of study and perseverance in order to fit themselves to look after the health of our community. In this instance I feel that a mistake has been made, even though the appointee is a fine and capable woman.

This afternoon I asked the Minister of Education a question about a company known as "Empress Electrics," which has been 'phoning people (apparently going through the 'phone book systematically) and asking a number of ridiculously simple questions—and if the person does not know the answer it is almost put into his mouth—and when the replies are given he is told that he has won £50. I know of elderly ladies and other people with no sales resistance who, thinking that they have won £50, visit this establishment and purchase a television set in the mistaken belief that they are getting a £50 reduction in the price. They are not getting a reduction! This is smart salesmanship and these unsuspecting people are paying a slightly higher interest rate, thus

enabling the firm to get back more than the £50 quiz prize. This is a most mean and despicable way of canvassing for sales. I know a prominent South Australian citizen who has done much for this State, whose mother, in her 80th year, answered the 'phone quiz correctly and then pestered the life out of her son to permit her to use the £50. They would have sold her the machine and she would not have gained anything. The practice is deceitful. I point this out so that it may be known publicly and so that people will realize they are not getting a £50 benefit, but are being sucked in by this type of salesmanship. I appreciate the assistance given by the Government in an endeavour to prevent this thing and I appreciate the difficulty in which the Government finds itself.

During her time in this place, and before she entered this House, the member for Burnside has shown much interest in education matters. She recently asked the Minister of Education a question relating to clerical assistance in secondary schools. The Minister gave what I considered, at the time, to be a very good answer. Clerical assistance was to be provided in high schools where the enrolment was 1,000 or more and it was to be provided in technical high schools where the enrolment was 600 or more. There are one or two technical high schools in my district and the headmaster or headmistress and some of the teaching staff spend much time in clerical work that could be spent more profitably in teaching scholars. It redounds to the disadvantage of the scholars when the heads and the teaching staff are taken away to do clerical work which could be performed for much less money than that paid to a teacher. Something should be done in this matter because there is a shortage of teachers. I thought that something was to be done but to my amazement, on checking the *Education Gazette*, I was unable to find one technical high school in South Australia with an average attendance of 600 scholars. If that is the position no clerical assistance is now provided and I hope that something will be done to remedy that position.

Like the member for Burnside and other members I could speak at length on education, because I have acted for years in an honorary capacity on school councils and committees and am able to appreciate the work done by them. It saves the Government many thousands of pounds and creates good relationships between parents and scholars and that is even more important than the money raised.

I was recently amazed to learn that first-aid supplies are made available to schools only on a subsidy basis. That is unreasonable because every industry is compelled to supply standard first-aid equipment for the protection of employees in case of accident. If a child is injured at a school where there is no energetic school committee no first-aid equipment is available. The equipment is available only where part of its cost is met by the parents. I urge the Government to take steps to provide first-aid equipment in all State schools.

When speaking about hospitals I omitted to refer to one point. I wish to express my thanks to the Government for the assistance it has given to the Hindmarsh Community Hospital which is still in its infancy. Community hospitals are doing remarkable work in providing hospital services for the community. Recently, because of my interest in the Hindmarsh Community Hospital, I visited the Northern Community Hospital, and I have also visited the Henley and Grange Community Hospital. I believe that they are similar to many other community hospitals in the State. The people serving on community hospital boards have reason to be proud of their efforts and they deserve the thanks of this Parliament for the wonderful job they are doing towards providing hospital accommodation in these difficult times.

Recently I asked the Treasurer what the Government's intention was regarding the replacement of temporary houses and the Treasurer said that an area in my district, where there are temporary houses, would be suitable for industry. There are a number of heavy industries in my electorate but wherever industry comes it brings an undesirable type of trade, and it exists in Hindmarsh. I refer to the business carried on by W. Brown and Sons Proprietary Limited. That company deals in metal and it buys areas of land in the centre of residential areas and demolishes houses so that it may use the areas for metal dumps to the detriment of the residents and to the annoyance of industry generally.

Mr. Jennings—They are just dumps.

Mr. HUTCHENS—Yes, and I regret to say we have this firm in Hindmarsh because it has no respect for the rights of other people. Its vehicles travel over the footpaths and metal is dumped on the roads and there seems to be little provision in the Local Government Act under which appropriate action may be taken against such people. There is some difficulty associated with the matter, but I am also convinced that there is a lack of

courtesy and respect shown by this firm and I therefore ask that consideration be given to an amendment of the Local Government Act to enable councils to bring these people into some sort of line.

Mr. Jennings—The members of the firm probably don't live there.

Mr. HUTCHENS—No, but they get their living there to the detriment of the people who do live there. That is the point. I had intended dealing with another item, but because of the possibility of certain events occurring I think it would be unwise to do so and I now turn to the final point I wish to discuss.

I refer to the public debt. The Deputy Leader dealt very effectively with this subject this afternoon. What is to be the effect of the Government's policy on the people of tomorrow? I am not convinced that the State's position is economically sound. During the last debate on the Estimates, with some real concern I drew attention to the falling off in the value of primary and secondary production in the years preceding the drought year. The public debt was increased over the same period. The last year has been referred to as the worst drought in our history. It may have been expected that our production would fall, but the public debt has increased by £21,403,000, which represents £400 per capita. Here we have the clearest condemnation in the Treasurer's own report that, in spite of the Little Boy Blue act which he repeats with monotonous regularity, our economy is dependent upon Nature. The economy of this State is balanced on a razor's edge and is subject to events outside the control of this Parliament. It is subject to the effects of droughts and overseas markets, and the State could find itself in trouble at any time.

Accordingly, I warn that with such recklessness we are greatly endangering the progress of our democratic system of Parliamentary Government. We have no moral right to bask in the glory of what some are prepared to call "progress" to the detriment of posterity. The bones of Oliver Cromwell were raised from the grave long after his death, and hung as a protest at the burden he imposed on the masses. This State's public debt is ever-increasing and in five years it has increased by over £80 per capita and no action has been taken to call a halt. This is the thing which disturbs me.

Land prices and shares have been pushed up to an unrealistic level. The lifting of practically all import licences means that there

is a real challenge to our manufactures and to our standard of living. One ill-fated year in the world's markets could mean economic disaster to this country and each year under the present Government we go forward thinning the edge on which our economy is balanced and with an attitude of "take thy ease, eat, drink and be merry". The rebuke to this attitude was given long ago in the year A.D. 33 in a parable warning people against self-satisfaction. The answer came "Thou fool!" I support the first line.

Mr. KING (Chaffey)—I rise with a great deal of pride to support the first line of the Estimates and in doing so I repeat that I am proud to be a member of the Government which has produced a Budget of this nature, despite all that has been said.

Mr. Jennings—You may be lucky.

Mr. KING—The member for Hindmarsh said that we were poised on the edge of a precipice, balanced on a knife edge and seemed to be doing a Blondin act all the way through, but all the expenditure he has complained about has been supported by the Opposition in debates on Loan Estimates in the past. If the Government is culpable the whole House is culpable for the dreadful state of affairs we have fallen into but, if we have a good look at the figures, we will see what a tremendous amount of progress has been made in the State in the 22 years that we have been fortunate enough to have had the Hon. Sir. Thomas Playford as Premier and Treasurer to lead the Government and the State through all sorts of adversities. I remind the House that only a year after he was elected Treasurer we became involved in the Second World War. During this time and in the post-war reconstruction years, a period of about 10 years, we experienced shortages of materials, manpower and money. Even John Curtin, who is mentioned frequently by members opposite, once told the Treasurer that we were so poor that we would always be a mendicant State, but last financial year, far from being a mendicant State, we were able to do without Commonwealth assistance and finished the end of a trying period with a completely balanced Budget. That is a wonderful credit to the Treasurer. In addition to having the drought, which cost the State a tremendous amount in production as well as in direct expense, we previously had the most disastrous flood in history. This set the Budget back about £2,000,000, which had to be absorbed to bring about a state of balance.

When the Treasurer first took office the State's revenue was about £13,000,000. In

1950-51 it had grown to £33,000,000, and it is now £85,000,000. Although the value of money has changed, this growth indicates the buoyancy and prosperity of the people of this State. If this were not so, that revenue would simply not be available. Apart from this, we have about £40,000,000 to spend in capital improvements this year. With the population increase and the growing prosperity of this State (which can easily be seen in any statistics) the Treasurer and Treasury officers will spend about £125,000,000 a year. In doing so, they are actually catching up in many instances with arrears of work in various departments brought about by circumstances over which the State has had no control. In that process we have been able to take the best advantage of the things we have been blessed with.

We have been told that this is the most arid State in the Commonwealth, yet no person here within reach of the Mannum-Adelaide or Morgan-Whyalla pipeline has been short of water. All our water systems are inter-connected and, even though we have gone through one of the worst droughts in history, it has not been necessary to impose any restrictions. I do not know what people who are now complaining about increases in water rates would have done but for the foresight of the Engineering and Water Supply Department in constructing the Mannum-Adelaide pipeline in time to provide the flow of water that continues to be the life-blood of South Australia. If members read the Treasurer's speech again they will see that taxes and Crown charges in this State remain, on balance, the lowest in Australia. This is another instance of incentive given to people to come to this State and stay. Most people who come here stay because they like this State and because their standard of living is as high as anywhere else in the world.

Mr. Ryan—You kid yourself there, don't you?

Mr. KING—Not at all. I can tell the honourable member something about it, as I am an example. In discussing whether this is a good Budget, I point out that the highest recommendation made of it has come from the people best qualified to know, as they have access to the records of all States of the Commonwealth. I refer to no less an august body than the Commonwealth Grants Commission which recommended that in view of the responsible conduct of this State's finances over a long period the whole of the outstanding deficit be made up by the Commonwealth Government.

Mr. Ryan—How do you reconcile that with the State Government's going to the Arbitration Court?

Mr. KING—I am speaking about the Grants Commission. If the unions went to the Grants Commission perhaps they would get on well, too. However, we are discussing finance, not extraneous matters. What the Grants Commission has said about the finances of this State cannot be gainsaid, and it is not by inference that the recommendation is a great compliment to the Treasurer for his good housekeeping and the way he has managed our finances. It is not only in the matter of money values that these comparisons can be made. I went a little further to find out how the State had progressed. I examined works inquired into by the Public Works Committee, the member for Onkaparinga and his "merry men" from both sides of the House. This shows in another way the growth of work in this State, and for the sake of brevity I have compressed details into five-yearly periods. In the period 1940 to 1945 only 18 major projects for works to the value of £6,447,983 were referred to the committee; from 1945 to 1950, 38 projects for works costing £7,382,725 were referred; between 1950 and 1955, 116 projects for works to the value of £28,499,788 were referred; and in 1955 to 1960, 127 projects were investigated by the committee for works totalling over £58,000,000.

Mr. Coumbe—There was an increase in the limit.

Mr. KING—Yes, which limited the number of projects referred to the committee. The total value of projects referred to the committee in this period was over £100,000,000. Much of this work was carried out in the Port Adelaide and Mount Gambier districts, and I am not complaining about what happened on the river.

Mr. Ralston—I can remember something that was approved in 1950 but has not been started yet.

Mr. KING—So much was done in the honourable member's district that probably there was not enough labour or materials to deal with other projects there. However, I ask the honourable member to have patience. That is one aspect. Another aspect is what has been done in land settlement. I remind the House that under the War Service Land Settlement scheme promoted by the State as an agent for the Commonwealth over 500 settlers from World War II have been settled on the river. Recently, at a meeting of the Murray Valley Development League, the Minister of Lands

said that 22,000,000 acres of Crown lands had been allocated since the last war. Some were reallocations, but between 6,000,000 and 8,000,000 acres was entirely new land. This shows that land settlement also has progressed under this administration.

To have effective land settlement three major requirements are necessary: power, water and transport. Power has been made available to all country districts, particularly those along the river. Electricity mains run on both sides. In the dry districts there is the single wire earth return system for domestic purposes; this has been a great thing to the people and will help keep them on the land. The Golden Heights proposal at Waikerie would not have been possible without power put there by the trust or without the water guaranteed under the advantageous agreement reached by the Treasurer with the Commonwealth Government under the River Murray Waters Agreement.

Mr. Quirke—What happened to Lyrup Heights?

Mr. KING—It is still on the cards. We must have something up our sleeves. If anyone can get industries there to agree to the establishment of the various fruits required to make Lyrup Heights a balanced settlement I have no doubt that this project will proceed. As the honourable member knows, there are differences among the industries there as to what can be profitably planted without jeopardizing the future of other industries.

Mr. Quirke—I know that in a thousand years they will all be dead.

Mr. KING—That may be so, but we are budgeting for 1960-61, not one thousand years hence. The Irrigation on Private Property Act gives producers finance which has helped the Golden Heights scheme, and the Advances to Settlers Act and other Acts have been a great help in establishing individual irrigation schemes along the river, ranging from dairy produce and fruitgrowing to fodder and fodder conservation. This is another instance of what has been done and what can be done.

The Electricity Trust has forged ahead in providing power. In river districts alone the installations of the trust are worth over £1,500,000. The trust has increased its sales from 364,750,000 kilowatt hours in 1950 to 1,451,750,000 kilowatt hours last year: truly a magnificent achievement. That power would not have been sold if it had not been wanted either for pumping, industry or domestic use, and people would not have been able to find a use for it if the State had not been prosperous.

In addition, the trust has been able to help through the Electricity Supplies (Country Areas) Act, and the average domestic consumption has increased in the last few years from 1,170 units to 2,520 units. Everywhere we look we find a bigger demand for the products of industry and the facilities the State has to offer.

Through efficient working the trust has been able to hold prices down. It has absorbed costs in many directions so that prices have not increased since 1953. In some fringe areas the price of electricity has decreased. In that time additional power stations have been erected at Osborne and Port Adelaide and through its management the trust has exercised much care and has anticipated the needs of the community so well that we hardly know what electricity rationing is. In the last four years the trust has built 2,563 miles of transmission lines; the total is now 6,687 miles. That in itself is truly a magnificent achievement. The peak load has increased in 10 years from 118,000 kilowatts to 358,000 kilowatts. Those who know what is involved in maximum demand and how the whole system works will realize what a tremendous achievement it was to have that electricity on hand so that the trust was enabled to meet the demand when it was called for.

The Mines Department has done a tremendous job. Coal production at Leigh Creek has increased in a few years from 352,000 tons to 737,000 tons. This is in a State that was said to have no natural resources, and in which it was said that coal could not be produced. The production of coal is increasing and the cost of power is coming down. The value of minerals produced last year was nearly £20,000,000. This is a tremendous contribution towards the total economy of this State. We have miles and miles of bituminized roads and many concrete bridges. In the other States they build bridges mostly with timber. Our bridges are made to last and future generations will get the benefit of this sound planning.

Education has already been thoroughly discussed. If the Government had not been so generous in its contributions towards the costs of the University, South Australia would have received much more from the University Commission. The other States have done far better than we have in this respect because the South Australian Government has made a greater contribution on a per capita basis. We are widening our sphere of education to include the education of the handicapped. On a population basis South Australia has had the

biggest increase in the number of children attending school. No child has been turned away from any of our schools. As to the cost of education, even the Commonwealth Grants Commission says it is very difficult to get a basis on which to make a fair comparison. The fact that every child of school-going age in South Australia has been able to get an education is a sign of good planning.

I compliment the Education Department and the Treasurer on their attitude to the question of the Leaving Honours examination. I think that the new approach to the Leaving Honours, the changing of the Leaving standard and the different approach to matriculation to the University have been widely acclaimed in my district by a number of parents who think that their children are too young to leave home and go away to do the Leaving Honours course. Now, with the new organization, they will be able to undertake the course in their own high schools.

By 1950 the Housing Trust had built 7,151 houses and in its last report stated that since its inception it had built 36,829 houses. It is taking care of a number of problems in the country and among other things is catering for pensioners, and has now adopted the system of providing factories on a rental or purchase basis whenever an industry is required.

Much of the economy of the State depends upon the fruit-growing industry, especially as a source of income from overseas. Although primary industries have to meet all costs in a tight circle of protected wages and so on, they cannot get any more for their exports on the world market. They have to compete with people who have surplus production to give away, people who manipulate their currency and others who have low standards of living. Consequently, it is difficult to carry on in these days with market prices below their true levels. We have a Fruit Canning Industry Inquiry Committee under the chairmanship of Sir Kingsley Paine, and we have the canning people who have engaged a firm of Sydney consultants to make a survey of the industry from the canners' point of view; we also have the Bureau of Agricultural Economics saying that it will make a survey of the canning industry, and we find the Sugar Concession Committee which is closely tied up with the canning industry also instituting an inquiry, indicating that many people in various spheres of activity are worried about the future of the canning industry. This industry has a percentage of production for export that varies from 60 to 80 per cent, according to

variety, and to the year. With present returns, it is only a very efficient cannery that can hope to pay its way. We still have a fair quantity of plantings to come into production and those in the industry are anxiously awaiting the report of the Fruit Canning Industry Inquiry Committee.

If those who produce our export income and thus contribute to the Australian prosperity get no protection, the economic forces will compel these people to get out of business. Australia is a country that agrees with the principle of a fair go, but we must agree that those who produce the income which enables our standard to be maintained must also receive a fair deal. How this is to be done is beyond the province of the State Parliament, but it could give a lead in this matter indicating just how it could be done. I should not like to see an open go as has happened in America, where they have finished up with storages full of butter, silos full of wheat, and vaults full of gold. The result is that they have surpluses they have to give away. The effect of these surpluses is to upset our markets. In South Australia we have 50 or 60 growers of dried figs and in past years we have produced between 40 and 50 per cent of the Australian consumption. However, with import licences lifted, we find that importers are prepared to import figs to such an extent that they are practically destroying our Australian market. They are marketing figs at half the price that local production is being sold on the Australian market. The result is that a considerable portion of our 1959 and 1960 production cannot be sold. The Tariff Board said it would make an inquiry. If an embargo is not placed upon the importation of figs before long, the 1960 pack will have deteriorated to such an extent that it will not be saleable. If we have to sell our figs at the same price as the Turkish article, growers, whose cost of production is £200 a ton, will receive only about £125. We would thus lose the fig industry and also a considerable portion of the income of about 60 growers would be lost. A number of people would be put out of work, and such action snow-balls along the line. If that happens to other primary industries, large or small, the effect will be felt in many directions. Those people who are making a profit on the imported figs have no interest in the local industry at all. They are out to make a quick profit and then get out again.

Many are worried about what is to happen to the tomato juice industry. We produce about 3,000 to 4,000 tons of tomatoes. Some

people are thinking of importing tomato juice from cheap producing countries. The orange juice industry is also endangered. There have been inquiries by people who are prepared to import orange juice and this is the result of the lifting of import licences. Almonds and olive oil are also affected. Such things are a direct threat to our Australian industries, and if we do not protect ourselves from these importations we shall be in much trouble.

I commend the Government for opening a tourist office in Melbourne. Most of our tourists come from the higher-populated areas. I refer to the work of the Murray Valley Development League, which is making tourist promotion one of its major objectives and doing tremendous work in all States on a Commonwealth basis to try to build up the tourist industry. As members generally are aware, the tourist industry is recognized as being of the greatest value in the assistance of country areas. We of the Murray Valley think that while other parts of the State have claims we, too, have some outstanding tourist facilities. The hotels there are really marvellous, and the caravan parks, established largely with Government assistance, are good. In Mr. Pollnitz and Mr. Correll we have two very enthusiastic officers who, in developing the tourist industry, will help the State go a long way.

Finally, I wish to deal with the question of water supplies, which was mentioned by the member for Hindmarsh. No doubt members have received a screed from New South Wales setting out the presidential report of Mr. Furphy on the coming drought. I think he took rather a long-range view. I think we will have to take a shorter-range view, and, while we must consider what we are doing in relation to the future needs of this country, we have to see what has to be done for our immediate requirements and not look quite so far ahead. As we all know, the River Murray Waters Agreement provides for water for South Australia up to a certain figure each year, say, 500,000 acre feet as a minimum in a drought year. That water has to come from the other States. It comes from Queensland, which has nine tributaries to the River Darling, and the River Darling itself is the principal tributary to the Murray, coming in at Wentworth. Then we have the River Murray itself, with its other tributaries, I think 37 in all, coming from New South Wales and Victoria.

All the water that passes down the Murray into South Australia must come down one or other of those tributaries. Some time ago,

I think early this year, there was a conference held at Bourke by people who wanted to turn the Queensland waters into the channel country to be used for the benefit of Queensland, which would be a natural thing for them to do. They were also considering various diversified schemes, river improvement schemes, and dams and weirs to store water. They are beginning to wake up to the fact that water in Australia is not unlimited, that more use must be made of it, and that provision must be made to cope with the demands of an increasing population. In New South Wales people on the Murrumbidgee have gone in for tremendous irrigation schemes, not only on the Murrumbidgee itself but on some of the smaller rivers as well. One has only to look at the *Riverlander* at any time to read of some new weir, dam, or lock being built in New South Wales for water conservation schemes. They are taking those steps because they have already felt the pinch. I think it was last year that they had to impose a 30 per cent reduction in the water available to their water licence people because there was no flow in the Murray; it started to peter out, and I point out that that can happen again.

I recently went with the Minister of Works to inspect the Menindee Lakes scheme. Although I knew that it was a big scheme on the Darling, I had no idea of its size and what it would do. It was once our proud boast that the Murray and the Darling, together with the Murrumbidgee, comprised one of the six largest navigable river systems in the world. I assure members that the Darling arm has been cut off, because at Menindee the Darling is no longer navigable, and that is only 250 miles from Wentworth. The Menindee Lakes scheme will impound 2,000,000 acre feet of water; it will join a series of lakes which together will make a body of water about 50 miles long, and in so doing it will use water that comes down the Darling after people upstream have taken water from it. How long it will take to fill I do not know. In the meantime, they are keeping the water coming down the Darling. The present suggestion is that the New South Wales people would prefer to use the water in the Murrumbidgee, nearer their own markets, rather than use a scheme 700 miles away from Sydney. By keeping the water in the Menindee Lakes they could provide their share of the South Australian water under the River Murray Waters Agreement from that scheme. They think they will be able to do that, and that they will be able to send water three or four times a year down the greater anabranch of the Darling and thus fill up the dams and catchment

areas of 250 miles of very good pastoral country which is now dependent on intermittent supplies of water. They also have other plans for damming and constructing weirs along the whole of the Darling. I would say that it could be only a short time before the flow in the Darling could be almost entirely restricted. What will happen on the Darling may happen on the Murray and every one of its tributaries, so there is no point in being complacent about water supplies so far as South Australia is concerned.

The Snowy scheme, by diverting sea-flowing waters, particularly from the Snowy River, to eventually flow into the Murray, will be of greater value to New South Wales and Victoria for the production of power than it will be for the conservation of water. The water South Australia will get out of that scheme will be practically negligible, even under today's conditions. Imagine what the conditions will be when the population of Australia is double what it is today! Nor is that the limit, for our population will increase all the time, and consequently our schemes for the conservation of water must continue to be developed. The proposed dam 20 miles above Renmark would be a great contribution towards meeting South Australia's water needs. When I suggested a few years ago that we might have to put a dam down at Purnong for the same purpose, but mainly for the supply of water to Adelaide, the suggestion did not receive commendation in all quarters, but I still think the time will come when the whole of the Murray Valley in South Australia will have to be used to save whatever water we can get so that none flows out to sea, even in flood times. I think we are almost at the stage when this Government should take the initiative in asking the Commonwealth and the other States to make a national survey of Australia's water resources, so that the usage of water for the next 100 years or so, by which time the present generation will have dealt with its responsibilities, could be fairly adjusted as between the requirements of the States, to ensure that the water is used to the best advantage. I do not want to reach the stage where we will have to drag water out of the clouds or tow icebergs from the South Pole or the North Pole. Nor do we always want to live in the tropics, where the rainfall is very high. However, it is a serious matter. Professor Sir Stanton Hicks, when addressing a dinner of the Murray Valley Development League last Saturday, pointed out what had happened to some of the cities of Asia and

Upper Cambodia, where prosperous civilizations were destroyed simply because people destroyed their water supplies. The same thing happened in the Yucatan, where the people went out to get water until it became uneconomic to go so far for that water and their civilization fell away to mere peasant establishments. The same thing happened in Italy, where the huge port of Rome silted up because of erosion and the wasted resources of the country. I leave that thought with the House.

Mr. Quirke—The same thing is happening in Newcastle.

Mr. KING—Yes, on the Hunter River. I think it is about time this State took the initiative in asking the Commonwealth and the other States to institute a national survey of our water resources, so that this country will be able to continue its development on an even keel and make the best use of what is available.

Mr. DUNSTAN (Norwood)—In supporting the first line I want to refer to some of the Treasurer's statements about the pattern of the Budget. We have heard a paean of praise from the back-benchers of the Liberal Party. Much delight has been expressed at the fact that this is a balanced Budget and that it disallows a situation in which South Australia remains a low tax State. The Treasurer said:—

The Government has no present proposals for any special increase in taxes and charges. Members will recall that recently some modest adjustments were made in rail charges corresponding to added costs and that early in 1960 a hire-purchase tax of one per cent was imposed. The Government will continue to ensure that Crown revenues are collected where properly and reasonably due, and from time to time will re-examine charges for services provided in relation to their costs. In particular the Government has under examination the actual experience in application of the new hire-purchase tax to ensure that its operation is fair and efficient. If necessary, the Government will not hesitate to take further legislative action if there is evidence of significant evasion or inequities in application.

Because of the Government's constant attention to economy and efficiency in its reviews of expenditure, because of the greater measure of self-help and community effort practised by the people of South Australia than is the case in most other States, and because of the recent great progress in the State's economy, South Australia's taxes and Crown charges remain, on balance, the lowest in Australia.

I want to examine the State taxation revenue to ascertain what relationship it bears to the taxation revenue in other States. True, in many respects charges for State undertakings here are lower than elsewhere. For instance,

some charges for industrial electricity in South Australia are lower than similar charges in other States, and here charges on tramways in certain instances are lower, but in other respects the charges mentioned by Mr. Hutchens, particularly those that fall on the poorer sections of the community, are by no means the lowest in Australia, but rather the reverse.

What is the position in regard to State taxation revenue? Most taxes, including many items of State taxation revenue, are graduated taxes and if this State is taxing less than other States the benefit redounds not to those people who are on the lower levels of income but to those on the higher levels. The Treasurer was right when he said that State taxation here is lower than elsewhere. According to the appendix to the 1959 Grants Commission's report, page 117, South Australia has a per capita State taxation revenue for non-income tax lower than any other State. In excluding net lottery revenue, the figures are New South Wales £13 5s. 4d. per capita, Victoria £13 15s. 4d., Queensland £12 2s. 9d., Western Australia £11 2s. 3d. and Tasmania £10 8s. 7d. The average is £12 15s. 8d., and South Australia's figure is £11 0s. 7d. That figure puts us on these items of revenue higher only than Tasmania but, when we consider the net lottery revenue in addition, South Australia is far behind the other States. If we include the net lottery revenue the figure for New South Wales is £14 10s. 8d., Victoria £14 16s. 4d., Queensland £13 9s. 9d., Western Australia £11 12s. 4d. and Tasmania £11 14s. 4d. The average is £13 16s. 9d., and South Australia's figure is £11 0s. 7d.

The Treasurer may well say, "At any rate South Australia is a little higher in State taxation revenue than Tasmania, and South Australia chooses not to have lottery revenue." Something must be said about the matter of lottery revenue. If this State chooses, as it has done, not to have State lottery revenue then we must as a moral duty to the community raise money by other means. It is no excuse for this State to say that it does not intend to have a State lottery and that therefore the State will not spend money on services to the community like those provided in other States. If we choose not to use a State lottery as a means of raising money, and we have done that, we must go into other taxation fields, and there are other fields of taxation. According to the Grants Commission's report this State has a taxing capacity that it is not

using. If we look at the existing taxes we can see a significant difference. For instance, on probate and succession duties South Australia is well below the average for all States. In motor taxation we are higher, but in other stamp duties we are the lowest in the Commonwealth. In racing we are slightly above average, but in land taxes we are slightly below average. In liquor, whereas the average in Australia is 16s. 9d. a head South Australia has by far the lowest figure of 4s. 3d. On general licences South Australia is lower than the other States.

Mr. Coumbe—Do you propose higher taxation?

Mr. DUNSTAN—I do. It is vital in the community that we should have a greater expenditure on State services than we have now and in order to do that we must raise more money. If we choose not to use the means that other States are using in order to raise more money we must find other ways of raising it. Let me now turn to what the Treasurer said about the hire-purchase tax scheme. He imposed a hire-purchase tax and said that at present it was working satisfactorily, but I do not for one moment think that it is. Many hire-purchase employees have told me that the charge is being passed straight on to the consumer, but the Treasurer said that that would not happen. In many instances the tax is being evaded because some of the larger hire-purchase concerns in South Australia have used straight-out time payment contracts as a substitute for hire-purchase agreements.

Mr. Quirke—And personal loans, too.

Mr. DUNSTAN—Yes. I want to return to hire-purchase investments a little later in my remarks, if I may. Honourable members opposite seem to be somewhat alarmed that I should be advocating increased taxation in South Australia, but I am amazed that they seem to consider that the present situation of State spending on social services in this community is satisfactory. This afternoon I heard the member for Mitcham say, "Well, we have a satisfactory position evidently in education because here we have a balanced Budget, and the Treasurer has said that he was able to meet 98.5 per cent of the requests of the Education Department for expenditure. In consequence, we do not need to go to the Commonwealth Government for extra money for education. Everything apparently as demanded by the Education Department is being met here and so the Education Department situation is satisfactory."

I can only turn for a moment to comparative expenditures on education. Honourable members opposite have repeatedly said that this State has had the greatest increase in school enrolments of any State. The Minister himself has said it time and again. True, our average increase in enrolments has been twice that of the rest of Australia on a percentage basis, but let us look at expenditures by the States on education. For the year 1958 I took out a comparison of expenditures from the consolidated revenue on education. It is a little difficult to get comparable figures because of differences in State budgeting, particularly on items of State transport. The way I got a comparable figure was to exclude expenditure on State transport from the Budgets. I arrived at the figures after examination of the Budget papers and Auditor-General's reports for each State. These are not yet all available for the current year, of course. We have not even seen our own Auditor-General's report on this side of the House, but we heard a little about it. However, I can give the House the figures I gave it previously for the 1958 situation. That showed expenditure from consolidated revenue on education as follows: New South Wales 28.3 per cent, Victoria 28.5 per cent, Queensland 22.2 per cent, Western Australia 17.4 per cent, Tasmania 19 per cent, the average for the whole of Australia being 23.4 per cent of consolidated revenue; and the figure for South Australia was 16.7 per cent. That is a pretty shocking comparison but in fact my figures were more than confirmed in the Minister's report for 1959. He shows that in 1945-46 the education expenditure, as a percentage of total expenditure, was 10.1 per cent; in 1958-59 it was 16.2 per cent, according to his figures.

Mr. Clark—What was your estimate?

Mr. DUNSTAN—Mine was 16.7 per cent. That shows that, when we compare our situation with that in other States, our education expenditure expressed as a proportion of consolidated revenue has gone from shocking to bad. But let us look a little further at the Minister's report. He shows this situation in education at the moment. He says:—

The number of temporary teachers in the service rose from 2,023 at the end of 1958 to 2,158 at the end of 1959, or 39.2 per cent of the total number of full-time teachers, compared with 39.1 per cent in 1958, 1957 and 1956.

So there is a very slight increase in the proportion of temporary teachers. The report continues:—

The majority of these temporary teachers are fully trained teachers who have rejoined the service after marriage or after reaching the

ordinary retiring age, or who have obtained their qualifications after commencing as unclassified teachers. The percentage of such teachers has risen gradually from 50.4 per cent of the total number of temporary teachers in 1955 to 53.5 per cent in 1959.

So at least 18 per cent—and that is being conservative—of the teachers in our Education Department at the moment are temporary, unclassified—that is, people who have not the minimum qualifications necessary for classification.

Mr. Clark—That is almost one in five.

Mr. DUNSTAN—Yes, and of the remainder a significant proportion are people beyond the retiring age who have returned to teach over-sized classes in our present schools.

Mr. Jennings—And that situation certainly does not apply in other States.

Mr. DUNSTAN—Yes. Honourable members opposite have said "We do not turn pupils away except in country areas where there are not the classes for them." But the reason why there is such a pressure on schools in New South Wales is that there they will not put unclassified teachers or retired teachers into the Education Department. They require the maintenance of a teaching standard.

Mr. Clark—And, of course, their leaving age is higher than ours.

Mr. DUNSTAN—Yes. So, when honourable members opposite suggest that the situation in education is satisfactory, that we do not need to worry whether the needs of the Education Department are being met, that we do not need more money for education either from increased State revenues or from the Commonwealth, they are people who can have very little concern about the education of our population in South Australia.

The position of education in this State is most unsatisfactory. It is the worst by far in the Commonwealth and continues to be so, for the Grants Commission reports show year after year that this State has spent less per capita on education than any other State except Queensland, where the religious make-up of the population is very different from our own and where there is not the call upon the education system that there is in this State.

Mr. Clark—In any case, the standard is not comparable with that of other States.

Mr. DUNSTAN—Yes. Now let me turn to the position that the Treasurer has spoken about in regard to water rates. He said:—

Receipts from water and sewer charges are estimated at £6,283,000, an increase over last year's receipts of £1,200,000. Of this about £200,000 is the natural increase in revenues due

to increased supplies and connections for both water and sewers, whilst approximately £1,000,000 will result from re-valuations of assessed properties upon a more up-to-date basis.

He then went on to say much about this revaluation. He said:—

It has been found necessary to make a complete revision of property valuations. While this revision has been made on a most conservative basis it has had the effect of bringing valuations more into line with present market values.

The fact that the assessments have been made on a conservative basis is one of my complaints about this water rating system, because the Government is not doing what the Act says it must do. Section 67 of the Waterworks Act says:—

The assessment (a) shall be made according to the full, fair, and average estimated annual value of the land and premises assessed, in manner provided by section 70.

Section 70 states:—

- (1) The annual value of vacant land shall be estimated at five per centum on the capital value of the fee simple.
- (2) The annual value of land and premises (other than vacant land) shall, if the whole of the land and premises are assessed together, be estimated at three-fourths of the gross annual rental at which the whole would let for a term of seven years or at five per centum on the capital value of the fee simple.

An official of the department published an article, to which I think the member for Hindmarsh referred earlier, in which he said, in effect, "It is true that we have had to re-assess property values, but the properties have not been re-assessed for a very long time and, in fact, the assessments have been made at 75 per cent of the value." In other words, they have not been made at the full, fair and average estimated annual value at all, but the department has taken 75 per cent of that amount and that has been its assessment. Apparently the officer thought that this was being most fair to ratepayers but one can see what the Government has done. It has put the rate higher than it need to have the rate on the proper assessment. One cannot appeal against the rate, but one may appeal against the assessment. However, if the assessment is made at 75 per cent of the value then there is so gross a margin of error in any assessment that the assessments as between ratepayers can be grossly unfair and one cannot win an appeal. There could be two adjoining properties and they could be actually properly assessed at the same value, but one could be

assessed at 75 per cent of the amount that the other was assessed at and then the man who had been assessed at the greater amount could not win an appeal because he could not introduce in his appeal the amount at which the property next-door was assessed. That was tried, as a matter of fact, by a gentleman who was so infuriated by the unfairness of his assessment as compared with his neighbour's assessment that he was at one stage of the proceedings walking around Adelaide looking for the Minister of Works with a shot-gun. He took an appeal to the Local Court and lost it. He had an opinion eventually from Mr. Hogarth, Q.C., that although the Act said that he should have his assessment made according to the full, fair and average estimated value of the property, that was not the average as between properties and the assessment made in respect of other properties could not enter into the matter at all.

This is most unsatisfactory, because this method of fixing the rates higher than they need be and then making a low assessment so that it is impossible for a man to get fairness as compared with his neighbour in any appeal is depriving citizens of the right of appeal that was specifically given to them by the Act. That was their protection so that they could have what the Chief Justice, in a recent case that seems to have done something to the local government rating systems of a few councils in South Australia, pointed out was the basis of rates, and that is that they should be an equal impost as between citizens: that the only difference should be on the basis of the assessment and that it should be an impost spread over a district equally as between citizens and citizens.

The other thing I object to about water rating is that when the assessments are made citizens do not effectively hear about the changes in assessments. It is not necessary for the departmental officers to call and inspect a property. Indeed, in many cases they do not do any such thing. Nobody knows, unless he happens to have a look at his assessment and go in and search it, that he has had a difference in his assessment note. He does not hear about it. An officer can speed past in a motor car and make an assessment of a property and the ratepayer has no inkling that there has been an alteration in his assessment. Indeed, what officers can do and actually do in certain circumstances is to go to the

local council, see if there has been any alteration in the council's assessment, examine the council's description of a property, and then make an assessment without going near the property itself. That has happened! This is unjust to citizens because it means that people who should be in a position to appeal against their assessments are out of time because they do not hear about the increase in their assessments until the notice of their rates reaches them. That is grossly unfair and there is not the slightest reason, in my view, why they should not be sent a notice of a change in their assessment. After all, on the Government's own admission, changes in assessments do not take place at such regular intervals that this would place an enormous financial burden on the Government. If a change in assessment is made, what is to stop the Government from sending out a notice of the change to the ratepayer so that he is in a position to bring his appeal within the due time?

Let me turn anew to this question of State social services. When the Treasurer comes to Parliament and says that he is in a position to balance the Budget with low taxes it seems extraordinary that we should remain the State with the worst expenditure on social services. It seems extraordinary that the Treasurer can say that he is able to balance the Budget and not increase taxes upon those sections of the community which can afford to pay taxes (and I will go into the matter of their affording to do so presently) and at the same time impose the hospital charges that are at present being imposed on people who are within the property means test and who are receiving the full Commonwealth pension. They are receiving bills of £300 and £400 for hospital charges. I have them in my own district. They are being required to pay weekly sums out of their pensions as against those amounts or to dispose of the small amount of assets that they have and which are within the Commonwealth means test, and which the Commonwealth considers they ought to be allowed to have and still claim a full Commonwealth pension. It seems extraordinary that we should have the situation in the Children's Welfare Department whereby we recover relief from poor families and where relief officers are often in despair as to how they can help the poorer families in the community that are faced with debt burdens imposed on them by the State's recovery policies. What is more, I am amazed that we can continue under the situation we have in

the Children's Welfare Department. The only excuse for the failure to have adequate administration in that department is that the Government is not prepared to spend money for staff.

What is the position of a deserted wife in South Australia today? She has not got the money to go to law. The Law Society does not help her because the Children's Welfare and Public Relief Department is there specifically to give her legal assistance to get maintenance. She goes to the department and it is two months before she can get an appointment with a prosecuting officer. In the meantime she may be able to get a small amount of public relief, if she is lucky, but that does not keep her in a very satisfactory situation, and after she is fortunate enough to get an effective maintenance order against her husband, in due course the amount of public relief that she has got in the interim is deducted from the amount of maintenance that she gets, although the residue of her husband's maintenance payments is insufficient to keep body and soul together for herself and her family. This is a shocking situation but it is not something that is new. I have raised the situation in the Children's Welfare Department time and time again with this Government and have said that we need additional officers there because the present number cannot possibly cope with the work. The Government undertook to have the matter investigated and yet these poor people who need a State public service here in South Australia probably more than any other section of the community are simply not getting it because the Children's Welfare Department is not provided with the officers that it needs to carry out its work. The situation is so hopeless that I doubt whether as much work as could normally be done by those officers gets done because they are trying to chase up so many cases, which are behind all the time, that they cannot get continuity with the normal run of cases. That is a shocking situation. It is a very strange situation to exist in a State where the Treasurer proudly proclaims a balanced Budget and the lowest taxation in the Commonwealth.

Mr. Jennings—Would you like to go into the question of the board for children being committed to Magill and Vaughan Houses being charged to their parents?

Mr. DUNSTAN—This is another way in which the Government is cutting down on expenditure in the Children's Welfare Department. There are occasions when children are committed to State institutions, often through no fault of the parents at all because the

parents have been perfectly responsible and have other children to keep, but the State chooses to put them into such institutions because they have been delinquent in some way or other. There would be an outcry if the Government started to charge a man's family for his board in Yatala gaol, but the parents of these children in institutions are on many occasions called upon to pay their board in those institutions, and that is something which in fact they cannot afford to do. That is because the cost of maintaining them in the institutions is higher than the cost of maintaining them in their own families.

Mr. Quirke—You said “on many occasions.” What are the occasions?

Mr. DUNSTAN—I do not know what the department's policy is in this matter. It is impossible to ascertain the department's policy. I think practically every member on this side of the House, certainly every member from the metropolitan or urban areas, knows of cases in his own district where this has happened. It places a very grievous burden on poorer families in the community, and this is all of a piece with this Government's present attitude towards State services.

In contrast to this complaint, which I have made from time to time, I hear cries from the other side of the House that we are extremely well off in this State. Members opposite may say that the average citizen is extremely well off here. The favourite gambit is about the Savings Bank deposits. This is one which is most frequently trotted out. I have some bank figures to quote that may be of interest to certain members. There is a table of Savings Bank deposits per capita in the Grants Commission report at page 130 which shows that the total Savings Bank deposits per capita in South Australia are higher than elsewhere.

If we take the total Savings Bank deposits in this State and divide them by the number of people in the State we get a higher figure here than in any other State. This proves absolutely nothing, but honourable members opposite are very fond of quoting these figures, so perhaps it would be helpful to them if I quoted some other figures about bank deposits, because it is not the case that the banking structure or the banking pattern of all States is the same. In South Australia we have a State Savings Bank that has been pushed in the banking field and in consequence has a rather higher proportion of money in its coffers than is the case in any other Savings Bank institutions. In some States there are no State Savings Banks at all. That

is the position in New South Wales. In that State numbers of the people who would be depositing in this State in the Savings Bank deposit in the Rural Bank and those moneys are not taken into account in comparing State Savings Bank deposits. In figures that I shall quote of other savings banks the private savings banks are taken into account, but the only way in which I can get any comparable pattern about banking is by finding the average depositor's amount in savings banks. If we take the number of active depositors against State Savings Bank deposits and other savings bank deposits, we get a figure that gives us some comparability because we are then relating our figures to the actual banking pattern.

Mr. Jennings—You are relating it to the person.

Mr. DUNSTAN—Yes. I shall quote from the *Australasian Insurance and Banking Record*, which shows as at June 30, 1960, the position of average deposits per operative account in the savings banks—that is, States, Commonwealth and private. In New South Wales the average amount per operative account was £180. In Victoria it was £186, in Queensland £160, in South Australia £178, in Western Australia £143, in Tasmania £149, and in the Australian Capital Territory it was £161. The Australian average was £175 per capita, so South Australia was £3 above the average per capita and was third in the Commonwealth on those figures. It was not anything like first, as honourable members opposite would suggest.

In fact, if we take the bank deposits—the actual bank funds held as against average depositors—we find the figure in this State is again the third in the Commonwealth and that New South Wales and Victoria are considerably ahead of South Australia. The honourable member for Enfield has very kindly handed me an extract from the *Melbourne Herald* which shows that Victorians have the greatest buying capacity in Australia according to the latest *Herald Research Bulletin*. Based on the financial deposits the buying capacity of Victorians is higher than that of any other people in the Commonwealth. Bank deposits in Victoria total £1,000,000,000 odd and represent £360 8s. per capita compared with £320 14s. in New South Wales, which was the next highest of the Australian States. The Australian average was £301 4s. The South Australian average was £314 10s. or third in the Commonwealth. In fact, the position in South Australia is a peculiar and unfortunate one for the people who are in the wage-earning section

of the population. The Australian National Income and Distribution Seminar held in 1959 by the Australian Council of Salaried and Professional Officers' Associations had some fairly interesting things to say about the relation of wages and salaries to increases in national income and expenditure on personal consumption. It had this to say:—

It appears that the share of wages and salaries in the national income has risen from about 56 per cent in 1938-39 to about 62 per cent in 1957-58.

I have seen a pamphlet put out by members of the Liberal Party that claims that this is something that the Liberal Party has done for the wage and salary earners of South Australia. What they have carefully not done is relate this proportion to the increase in the working population of Australia in that period. What they did not say was:—

Wages and salaries per employee have risen less than the national income per head of population; less than the total personal income per head of population; and less than company income per head of population. The average employee's income has also risen less than that of the average farmer or businessman. Employees, in short, have received a less than proportionate amount of increase in national income which has occurred since 1939.

In South Australia, of course, those facts are particularly pertinent because the Treasurer has often claimed—and quite rightly from what figures I have been able to get out on this subject—that this State has the highest income per capita of any State in the Commonwealth. He has claimed that, and I think he was probably right about it, but it is the lowest wage State in the Commonwealth.

Mr. Jennings—Someone must be getting it.

Mr. DUNSTAN—Yes. Where is the difference going? The answer is that it is going in the higher level incomes and in capital gains, on which people are making an absolute killing at the moment without paying a penny in taxation. But, of course, Liberal members are supported by those on the higher levels of income, those people making considerable capital gains and getting the benefit of the low tax policy of the present Government.

I now turn for a moment to a few of the remarks made by the member for Mitcham. He once again raised a plea for a return to what he called the "Federal Compact". We must turn back to the basis of federalism in which the States were a co-equal taxing authority with the Commonwealth Parliament. I do not know whether the honourable member ever talks to any of the economists in his

own Party but if he does he cannot listen to what they have to say.

Mr. Jennings—There is only one.

Mr. DUNSTAN—To be fair, they have a few around the place.

Mr. Jennings—But there is only one with any authority.

Mr. DUNSTAN—I know, but in the Liberal Party are a few people who realize what an instrument for the benefit of the national economy a Commonwealth Budget is. The member for Mitcham evidently does not realize this fact. It is vital to the national economy that we have one basic budgeting authority that can control the level of investment and credit in Australia and can use the Budget as the primary instrument for this control. Ever since Lord Keynes, one would have thought that anyone who took any interest in public affairs would have been apprised of this fact, but evidently not the member for Mitcham. He wants us to return to a situation where we have seven separate income-taxing authorities that can all have different views and pursue different courses and policies regarding taxation in the community. How precisely we are to maintain a balanced economy in those circumstances is beyond anyone's comprehension, but apparently that does not concern the member for Mitcham.

Mr. Jennings—How could we deal with people overseas on that basis?

Mr. DUNSTAN—We could not, of course. We could not do anything about maintaining full employment to which members opposite cheerfully pay some sort of service. It is not surprising that the Treasurer of this State, when offered back this State's taxing powers, was a little reluctant about accepting them. Although, for the benefit of backwoodsmen of the Liberal Party, he might on occasions appear to be a great "States' Righter", he has some responsibility about keeping the State's economy on an even keel. I now turn to the situation in the economy as outlined by the comprehensive report from which the member for Mitcham quoted this afternoon. At least, I did not notice that he quoted from it, but he waved it in the air. This committee, which comprised members of both sides of the Commonwealth House, and had on it from this State the member for Angas—

Mr. Jennings—Whom they might know.

Mr. DUNSTAN—Yes. This committee said a number of interesting and important things about the subject of consumer credit and its regulation in the Commonwealth, and the necessity of doing something about it. I

should like to quote shortly from what the committee had to say on the subject of credit in Australia, as follows:—

Since 1900 there has been a striking development in the institutional framework of the Australian financial system. Specialized institutions have emerged which have narrowed the field occupied by the traditional banking structure.

If the member for Mitcham wants to go back, as apparently he does, to the original federal agreement, he is probably aware that it made it perfectly clear that there was no intention of there being anything like a central bank in Australia. This bank exists not because of the foresight of the founding Fathers, but because they overlooked the fact that the terms of the Constitution could allow for a central bank. When the drafter of that section of the Commonwealth Constitution was asked whether he allowed for such a thing as a central bank, he said, "Certainly not. I would not think of such a thing." If the original intention of the founding Fathers had been put into effect we would have been in a completely hopeless situation, but no doubt that would delight the honourable member. The committee also said:—

The domestic capital market has developed with issuing houses, stronger underwriters and stock exchanges making possible the wider participation of the public in the direct provision of capital. A rapid diversification of the Australian capital market has occurred in recent years as various methods of obtaining credit have been explored. Thus, shares and debentures are floated on the stock exchange and business accepts deposits from, or issues notes to, the public. New capital raisings by Australian companies listed on Australia's stock exchanges in recent years, have shown the trend in private, as distinct from Government, finance. A table is then given, after which the committee says:—

Another factor in the change has been the rapid growth in hire-purchase finance leading to the emergence of hire-purchase finance companies capable of exercising a significant and growing influence on the general credit situation. Yet another factor has been the increase in housing loans by Savings Banks and building societies. Other lenders are the life assurance and pastoral finance societies. The changes to which the committee has referred have resulted in a considerable decline in the proportion of total credit which the trading banks provide. Figures given by Professor H. W. Arndt, in a lecture entitled "The Banks and the Capital Market," delivered at the University of Queensland in September 1959, show that for the five pre-war years ended June 1939 the trading banks provided about 56 per cent of all credit. For the five years ended June 1958, however, they provided only 21 per cent of all credit. For the same two periods, new

issues on the stock exchange have jumped from 18 per cent to 36 per cent of all credit issued whilst hire-purchase finance has risen from two per cent to 16 per cent of total credit.

Of course, it has now gone ever further.

Mr. Quirke—That is high-priced credit, though.

Mr. DUNSTAN—Of course it is, and I will come to that in a moment. The position now is of course that under the Commonwealth banking system there is no adequate control by the Commonwealth Treasurer over the direction of credit. We have had a change in our financial institutions which means it is no longer the banks who call the tune about the level of credit in Australia, and there is no means of controlling the credit issues of other institutions. This is of course causing concern to anyone who foresees the necessity for the Commonwealth Treasurer to maintain some form of balance in the economy, and not least of those to whom it is causing some concern are some members of the Federal Liberal Party itself. I realize it does not concern Mr. Millhouse, but it does concern those who have been put in a position of responsibility in his own Party in the Commonwealth Parliament.

The committee unanimously recommended that the Commonwealth Government should be given power over capital issues and consumer credit, but immediately the report appeared Mr. Millhouse rose in his place and in anguished tones asked the Treasurer whether he was prepared to go along with those proposals, and the Treasurer repudiated any association with them at all. It became clear to the various Liberal Party organizations throughout Australia that they were not going to do anything about it at all. So it is clear that we are not going to adopt the Constitutional Review Committee's proposals, although those proposals are wise and sound. Any person who was in any way interested in the committee's proposals had an opportunity to go before it to put his point of view.

Mr. Jennings—And its recommendations are pretty conservative, anyway.

Mr. DUNSTAN—Of course. They are not radical. They give considerable safeguards to State rights, and they also make it possible for Governments to carry out in certain matters the wishes of the people who put the Governments into office. I have heard the Treasurer complain about the fact that he cannot do anything much to interstate hauliers, but under these proposals he could cause the Interstate Commission to do something. Under these proposals we can do something about restrictive

trade practices, something which was condemned by the Treasurer in his William Queale lecture and also in an earlier debate this session. Apparently, we are not to have these proposals. Only last week we saw the situation in the Commonwealth Parliament where the Prime Minister made it perfectly clear that under the terms of the Commonwealth Constitution at the moment it is very doubtful that the Government can have any satisfactory control over credit, particularly in the case of financial institutions which are carrying on the normal business of banks without specifically being banks.

There is a very large hire-purchase company in Australia that is doing just this and thumbing its nose at the Government and daring it to try to bring it to book under the Chifley Government's legislation of 1945 for the control of their levels of credit. Apparently the Government will not do it for the simple reason that under our Constitutional provisions it is doubtful whether technically they are banks within the meaning of the Constitution; and if they are not, then the Commonwealth Government has no power to legislate with regard to them and they can completely wreck the credit structure of this country and no-one can say them nay under our present Constitutional provisions, which Mr. Millhouse, and presumably the Treasurer, want us to maintain in this country. Only last week a constituent came to me who wanted to get some assistance to purchase a house in my district, and to do it he went to one of the larger hire-purchase companies to borrow £2,600. He already had a substantial amount to put down and that amount represented the remainder he wanted over a period of 10 years to make the purchase. His interest bill in those years would amount to £2,300, and in addition he was to enter into a life assurance policy in favour of the company with the company's own insurance company. He was to pay £360 extra for that premium and be charged interest on it; and if he was able to pay a capital sum off, he had to give 12 months' notice of his payment. There is no excuse for that these days. The £360 was expressed as part of the capital. He had to pay the £360 premiums in any event. What the insurance company and the hire-purchase company were making out of this was killing. This is not an isolated transaction, but this company has been enforcing the taking out of insurance policies as collateral security for its loans by its own company and charging interest on the premiums. It is making a colossal sum and using this money for take-over bids for

other hire-purchase companies. This company will eventually control the whole credit market of Australia effectively within 10 years at its present rate of growth. It will be able to dictate to the banks, insurance companies and everyone.

Mr. Quirke—The bigger it is, the easier it is to crack!

Mr. DUNSTAN—I have yet to find the way in which it will be cracked. It could be cracked if these Constitutional proposals were put into effect, but it cannot be cracked unless we get some sort of governmental action.

The Commonwealth Government is clearly concerned, but it realizes it cannot convince members of the Liberal Party, who include people as conservative as Mr. Millhouse, of the necessity of some sort of effective Constitutional review. Consequently, Governments are hamstrung and we come back to that situation which Mr. Millhouse made clear in his statement to the House. He complained about governmental powers. The answer to that was given effectively not so very long ago by the Treasurer, because he, like some other members of the Liberal Party, from time to time has glimmerings about the Socialist argument and has trotted out the very basis of it: that absence of effective governmental power does not mean absence of power. If a Government does not exercise powers that does not mean that those powers are not exercised: they may be exercised, and often are, by people who are not in any way responsible to the community at all.

Indeed, what is happening in Australia at the moment is that decisions on our financial structure and the level and direction of our investments are being made by people who are in no way responsible to the people of this community. If Governments exercised control over these things it would mean not an absence of freedom in this community, but rather greater freedom, for at any rate the power would be exercised not by people who were not responsible to this community, but by people who could be called to book by this community. I believe that powers must be exercised within a community, and in the Australian economy today it is useless to talk about the non-exercise of powers. We have a colossal concentration of capital control in Australia at the moment, and it is necessary for somebody to exercise the powers in this community because the direction will inevitably be made by somebody. Then, Mr. Chairman, I believe it is preferable that the direction should be in the hands of those people

whom the community can turn out if it does not like the manner and substance of the directions. The only way in which we will get any effective control of this economy is by some sort of Constitutional review, and the only way we will get protection of the average citizen and the development of this community is in that way.

I return to the present Budgetary situation in this State. I believe it is wrong to adopt the attitude, often adopted here and often preached by some members opposite, that we are in a perfectly happy situation in this State, that with our low taxes and our balanced Budget we are doing everything necessary for the people of this State, and that if we had to spend any more we should not pay taxes out but should take the money from somewhere in the existing structure of the Budget—a bit of putting and taking—or, alternatively, claim the money from the Commonwealth. I do not believe for a moment that the present regime upon the Commonwealth benches is giving the States sufficient money in relation to certain of their needs. I believe that the advance of education in Australia is a national need, and if we are to match the situation within the Iron Curtain countries—and we are bound to do this if we are to win the cold war—where they are producing eight science graduates to our one,

we must do more in education; this can only be done by national expenditure. The Commonwealth Government must give more money to the States for this purpose. With the Commonwealth Government not doing that, I do not believe it is a satisfactory or responsible position for people in this community to say, "We cannot get any more money from the Commonwealth Government, therefore we won't do anything."

Our primary duty in this community is to the people who deserve to have money spent upon them, for they are the under-privileged people in this community, and the children. If we cannot at the moment, because of the policy of the Commonwealth Liberal Government, get additional money for education, then it is our job as a community to provide it ourselves. I say that we can raise extra revenues here. I have often spoken of the various ways in which I believe it can be done, but I do not believe it is a responsible attitude to refuse to tax and merely to say that it is preferable to have our State education at the lowest level in the Commonwealth. I support the first line.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 10.15 p.m. the House adjourned until Wednesday, September 21, at 2 p.m.