

HOUSE OF ASSEMBLY

Wednesday, August 3, 1966.

The SPEAKER (Hon. L. G. Riches) took the Chair at 2 p.m. and read prayers.

QUESTIONS

MIGRANTS.

Mr. HALL: I have had reports of United Kingdom migrants in my district returning to the United Kingdom because of their inability to obtain employment in South Australia. Also, there have been newspaper reports about the return of British migrants to the United Kingdom caused by the decrease in industrial and commercial activity in this State. Can the Premier ascertain whether more migrants are returning than the number who returned last year? Also, can he obtain figures of the number of migrants returning to their home lands from South Australia at present?

The Hon. FRANK WALSH: I will have inquiries made. I doubt whether the position is as serious as the Leader has tried to show. However, it should be remembered that there are always migrants (irrespective of whether they live at Para Hills or somewhere else) who desire to return to their home land. It is strange that we have further applications from people who have gone back to their home land, to be accommodated in either purchase or rental houses. If other features are involved, I will make representations to ascertain the position.

NORTH UNLEY CREEK.

Mr. LANGLEY: Has the Minister of Education, representing the Minister of Roads, an answer to my recent question concerning floodwaters in the North Unley creek and asking whether the drainage board had met?

The Hon. R. R. LOVEDAY: My colleague reports that a meeting has been convened for the purpose of preliminary discussions with councils whose areas come within the ambit of the proposed Metropolitan Floodwaters Drainage Control Bill. The meeting will be held in the Highways Department building, Walkerville, at 9 a.m. on August 26, 1966.

SHEEP INSPECTION.

Mr. HEASLIP: In the absence of the Minister of Agriculture, has the Minister of Lands a reply to a question I asked some time ago about the transport of sheep from Port Augusta to Kalgoorlie and about their inspection?

The Hon. J. D. CORCORAN: The inspection of sheep at point of shipment has been considered in detail and is in fact often done. It suits the Western Australian purchaser, as he is reasonably sure that when a certificate is issued in the trucking yards, his sheep will also be cleared by the Western Australian inspectors at Kalgoorlie. It does not suit the seller because, if the sheep are rejected for any cause, he is faced with double transport charges. Further, if he has shorn his sheep with only a few months' wool, and they are then rejected, he is faced with a further loss. It is considered that when the sheep have been inspected on the farm and a certificate issued, it is the responsibility of the consignor to keep the sheep in weed-free yards or paddocks, and to shift them to railhead by transport to ensure that they do not become weed infested *en route*. If the sheep are clean on the farm, and then travel by hoof along weed infested roads, they will be rejected when inspected on arrival at railhead.

The inspection of all sheep at Port Pirie or Port Augusta would result in overcrowding of the yards, contact between the various consignments, and possible spread of disease if such were present in any mob. This could result in withholding certificates for what were previously healthy sheep in order to comply with Western Australian conditions. It is considered that property inspection followed by isolation and transport to railhead is the most convenient and safest procedure.

GAWLER SEWERAGE.

Mr. CLARK: During the Address in Reply debate I strongly advocated as urgent the extension of sewerage to Gawler, and I asked that as a first step the matter should be referred to the Public Works Committee as soon as possible. Can the Minister of Works say whether this matter has been considered, and, if it has, has he information about it?

The Hon. C. D. HUTCHENS: Following the persistent and consistent appeals by the honourable member, and his most recent appeal in the Address in Reply debate, I had further discussions as late as this morning with the Director and Engineer-in-Chief of the Engineering and Water Supply Department, who states that all documents are now prepared for sewers to be installed at Gawler, and that a submission will be made to the Public Works Committee soon. Subject to a satisfactory report from that committee, plans will be made to set a date for the commencement of the provision of sewerage at Gawler.

BUILDING INDUSTRY.

Mr. CUMBE: I draw the attention of the Minister of Works to an article in this morning's *Advertiser* with comments by the Federal President of the Builders Labourers Union (Mr. Thorp) who states that building conditions in South Australia are chaotic and some of the worst in 26 years. Mr. Thorp, referring to the Bolivar treatment works, states that one contractor has gone out of business, that another is nearly out of business, and that a new contract is to be let for some of the work on this project. Can the Minister indicate the true position? Is a new contract to be let, and is the work on this project likely to be delayed?

The Hon. C. D. HUTCHENS: I am glad of this question because Mr. Thorp rang me yesterday and made the allegations that appear in today's *Advertiser*. I have not read them in full, but I rang Mr. Thorp this morning and told him there was no foundation for his allegations. A contractor for some work had some difficulties; but these were not connected in any way with the building trade, and were caused by other factors. By arrangement between the department and the contractor a satisfactory conclusion was arrived at. The contractor had done an excellent job, and I am sure he was satisfied with the solution of the problem. True, contracts have been called for a further stage of the Bolivar Sewage Treatment Works but, despite rumours that certain contractors have been given the work, tenders have not yet been considered or let.

Mr. Coumbe: There's no hold-up?

The Hon. C. D. HUTCHENS: There is no hold-up in the project whatsoever.

PETERBOROUGH DRAIN.

Mr. CASEY: My question concerns a spoon drain situated a few hundred yards west of the railway crossing known as the Quorn crossing, on the main road at Peterborough. This drain facilitates the northerly flow of water and oil sludge from the railway workshops to vacant land. As this road is subject to heavy traffic at practically every hour of the day, will the Minister representing the Minister of Roads ask his colleague to take up with his department the possibility of converting this spoon drain into a culvert, in order to minimize the inconvenience caused to travellers on this road by water and oil sludge lying in the drain for long periods?

The Hon. J. D. CORCORAN: Yes.

LOCAL GOVERNMENT DEPARTMENT.

Mrs. STEELE: Has the Minister representing the Minister of Local Government a reply to my question about the setting up of a Local Government Department?

The Hon. R. R. LOVEDAY: Requests have been made in writing to the Minister of Local Government for the setting up of a separate Local Government Department in this State, and the matter is now receiving the Minister's consideration.

ANSTEY HILL ROAD.

Mrs. BYRNE: Having recently inspected the fence bordering the steep Anstey Hill Road, I found that practically no protection was given on parts of the road that overlooked almost sheer drops, that some of the fence posts had fallen over because of their age, and that others had apparently been burnt in a bush fire. In other places no posts existed at all; there was only cyclone mesh sheep fencing with lin. steel droppers to support it, and a guard rail existed in only one short section. As it is obvious that this fence would provide no protection, especially in the event of a vehicle hitting it, will the Minister of Lands ask the Minister of Roads to have this inadequate fencing inspected, particularly in the lower half of the road, with a view to placing appropriate guard rails in strategic positions before a serious accident occurs?

The Hon. J. D. CORCORAN: Yes.

TYRE PRICES.

Mr. FREEBAIRN: As an announcement was made over the national and commercial radio stations today that tyre prices would increase in every State except South Australia, can the Premier, as Ministerial head of the Prices Department, say whether the Government has rejected an application for an increase in South Australia and, if it has, can he say why?

The Hon. FRANK WALSH: Although I know that a conference was to have been held between representatives of certain tyre manufacturers from other States, the results have not been made known to me. However, as soon as the Prices Commissioner can give me a report, I shall be able to give more information to the House. A local tyre manufacturer in this State is doing a good job in the public interest.

Mr. Clark: Making a very good article, too!

The Hon. FRANK WALSH: Although I know that the local company has not made any representations, I do not know exactly

who is involved in the matter. If further information is needed, I shall obtain it. The local company has not sought nor do I intend to advocate an increase in tyre prices.

TAXI-CAB FARES.

Mr. LAWN: I understand that the Metropolitan Taxi-Cab Board fixes the fares to be charged by taxi drivers of the public and that drivers are expected to charge those fares. It has been reported in the press recently that a special rate has been granted to Australian National Airlines for the conveyance of its passengers in taxis. Will the Premier ask the Minister of Transport to ascertain why A.N.A. has received this immunity from the fares charged in respect of the general public?

The Hon. FRANK WALSH: I shall be pleased to take up this matter with the Minister of Transport and bring down a report as soon as possible.

TOURIST TRADE.

The Hon. D. N. BROOKMAN: The Director of the Tourist Bureau (Mr. Pollnitz) is reported as having said, among many other things, that too many tourists are going out of this State and too few are coming in. As every honourable member is aware of Mr. Pollnitz's calibre and appreciates the frankness with which he spoke, can the Premier enlarge on the statement? Has the Premier discussed this problem with Mr. Pollnitz, and are attempts being made to find a solution?

The Hon. FRANK WALSH: I understand that Mr. Pollnitz appeared before the Public Works Committee on an inquiry in relation to a bridge over the Murray River. He did not consult me or make any report to me, so I can only accept the report of the evidence he gave before the committee, which is the business of that committee.

MOUNT GAMBIER DOCTORS.

Mr. BURDON: Has the Attorney-General obtained a reply to my question of June 30 about the appointment of a resident doctor to the Mount Gambier Hospital?

The Hon. D. A. DUNSTAN: The Chief Secretary reports:

Medical graduates are required to complete a period of 12 months in an approved hospital before being granted full registration. The Medical Board of South Australia has already approved the Mount Gambier Hospital for this purpose and, as already indicated in previous reports, it is the intention of the department to appoint resident medical officers to the hospital as soon as sufficient

medical graduates are available. Furthermore, to facilitate this, action has already been taken so that quarters for resident medical officers are available at the hospital. The term "medical registrars" referred to by Mr. Burdon refers to medical graduates, generally at least in their second or third year after graduation, who have either completed part I of their studies in a particular post-graduate speciality or are just embarking on such post-graduate studies and whose appointments as registrars in special departments in teaching hospitals assist them with post-graduate studies.

PORT LINCOLN SCHOOLS.

The Hon. G. G. PEARSON: My question refers to the provision of additional primary school accommodation in the township of Port Lincoln. During my absence overseas, the Minister of Education was good enough to correspond with a member of another place who was acting for me. In his last letter to the Hon. Mr. Octoman on February 14, the Minister said that the department had selected what it considered to be a suitable site for a third primary school in Port Lincoln, but that the acquisition of the land had been delayed because of the change in the ownership of the land concerned. I have the letter here and, if the Minister desires to refresh his memory, I will give it to him. As this correspondence took place in February and as I am wondering what might have transpired in the interim, will the Minister examine the matter and let me know if further progress has been made in the procurement of this land?

The Hon. R. R. LOVEDAY: As I have not had a subsequent report since the letter was written, I shall be pleased to look into the matter and ascertain the position.

INTAKES AND STORAGES.

Mr. HUDSON: Can the Minister of Works provide the House with information about storage levels in metropolitan reservoirs?

The Hon. C. D. HUTCHENS: As I think the comparison may interest honourable members, I will give the following figures of metropolitan water storage now and those for last year:

	August, 1965 gallons.	August, 1966 gallons.
Mount Bold	4,283,700,000	4,361,100,000
Happy Valley	2,772,600,000	1,824,000,000
Clarendon Weir	70,400,000	62,700,000
Myponga	2,880,400,000	2,609,000,000
Millbrook	600,200,000	1,896,400,000
Hope Valley	568,000,000	486,000,000
Thorndon Park	125,100,000	103,700,000

The total storage of the metropolitan reservoirs at August 1, 1965, was 11,300,400,000 gallons, whereas today it is 11,350,300,000 gallons.

HOVERCRAFT.

Mr. MILLHOUSE: In the last couple of weeks I have asked the Premier questions about the possibility of a hovercraft service across Spencer Gulf and to Kangaroo Island, and the reply that the Premier gave me last Thursday was that one company, Birdseye's I think, had applied for a licence. As a hovercraft is a new type of craft, can the Minister of Marine (I understand this matter is to come under his jurisdiction) say what type of licence the Government intends should be issued to hovercraft?

The Hon. C. D. HUTCHENS: I am glad that I am not the only person who has queried this point. The question came to me as Minister of Marine and I immediately inquired of the Harbors Board, but the board has no power to issue a licence for the transportation of passengers. All it is required to do is to survey boats to see whether they are seaworthy in accordance with the regulations laid down. In order that there should be no mistake on this matter, I referred it to the Minister of Transport, who undoubtedly will have the matter investigated to see whether there is any necessity for a licence under the legislation which he has to administer. The party concerned will be informed accordingly.

Mr. Millhouse: May it be that there is no need for a licence at all?

The Hon. C. D. HUTCHENS: That could easily be the position, although I would not like to answer "Yes" or "No". All that the Harbors Board is required to do is to see that vessels comply with the regulations laid down and that they are seaworthy. The company that has applied for a licence has an ambitious scheme involving a large hovercraft, and its operation should benefit the people living on either side of the gulf.

MURRAY BRIDGE CANNERY.

Mr. McANANEY: Before asking this question I would have consulted the member for the District of Murray if he had been in the House, but last night a resident of that district told me about the co-operative cannery at Murray Bridge which at present cannot meet its commitments or take on more business. I understand the Government has £14,000 or \$14,000 invested in this company. Although the company cannot continue, it can obtain an

order from Woolworths for 20,000 cases of fruit juices, and oranges are available at Mypolonga. If the factory machinery were used it would require seven females and two males to crush these oranges. In view of the situation, will the Premier see whether steps can be taken to facilitate the crushing of these oranges and the employment of this additional labour?

The Hon. FRANK WALSH: My information a few weeks ago indicated that the company was in financial difficulties, but I do not know whether a receiver has been appointed or not.

Mr. McAnaney: No, not yet.

The Hon. FRANK WALSH: I shall inquire to see whether anything can be done to help preserve primary production.

COMPANY LEGISLATION.

The Hon. B. H. TEUSNER: As the Attorney-General recently attended a meeting in Perth of the Standing Committee of Attorneys-General, can he say whether tightening up or amendment of the Companies Act was considered and, if it was, will legislation be introduced in this House?

The Hon. D. A. DUNSTAN: Several amendments to the Companies Act were considered, particularly those concerning the examination in court of directors and officers of companies who, in the opinion of the Attorney-General, had contracted liabilities for their companies such that the companies were unable to meet them, and that the examination should take place before liquidation upon the application of the Attorney-General, and that the court would have power to order, after examination, that the directors or the officers should be personally liable for the obligations of the company. It has not been unanimously agreed by the committee that this amendment should be introduced but, on behalf of this Government, I supported the proposition. It is expected that, after some further drafting consultation, an amendment to the Companies Act to give effect to this proposition may be introduced later this session.

SALISBURY CROSSING.

Mr. CLARK: Last week I thanked the Premier for the efforts of the Police Department in making safer for children the crossing of the Main North Road at Madison Park (Salisbury North). Can he say what further steps are being taken with respect to this crossing?

The Hon. FRANK WALSH: The Minister of Roads reports that preparatory arrangements are in hand for the erection of a pedestrian overpass at Madison Park on the Main North Road so that schoolchildren can safely cross the road. It is intended that the overpass will be erected by the Corporation of the City of Salisbury, with the department contributing most of the funds. However, the Education Department is also considering the establishment of a new school on the eastern side of the Main North Road, which would make it unnecessary for children to cross the road. This is the most positive safety measure, and would obviate the need for the erection of a costly overpass. Investigations are still proceeding, and it is expected that a decision will be reached very shortly.

QUARRY BLASTING.

Mr. HALL: I have received complaints from residents in the Para Hills area that houses are suffering damage caused by the blasting activity of a private company quarrying to the north of that area. Will the Minister of Lands ask the Minister of Mines to obtain information about the severity of this blasting and its effects?

The Hon. J. D. CORCORAN: Yes.

SANDY CREEK SCHOOL.

Mrs. BYRNE: A new school at Sandy Creek came into use on February 8 this year. A new schoolhouse was also erected adjacent to the new school and the headmaster took up residence last month. Both the new school and schoolhouse were replacements, as the previous school was antiquated, too small and in a bad state of repair, and the schoolhouse was condemned. Can the Minister of Education say whether the department has disposed of the old school, schoolhouse and site and, if it has not, what are the department's intentions?

The Hon. R. R. LOVEDAY: I shall obtain a report for the honourable member.

MOUNT COMPASS SCHOOL.

Mr. McANANEY: Has the Minister of Education a reply to my question about the paving to be done at the Mount Compass school?

The Hon. R. R. LOVEDAY: A number of paving jobs, including that at Mount Compass, have been held up until the financial position is clarified after presentation to Parliament of this year's Estimates. Inquiries made concerning the potential danger of the yard at Mount Compass disclose

that the main risk is presented by a slope of about 45 degrees which the pupils cross between the main classroom area and the craft centre. In view of the urgency of the matter, the Public Buildings Department has been asked to provide wooden steps to make this danger area safer.

RENA-WARE.

Mr. LANGLEY: Recently, several constituents in the Unley District have complained of the activities of Rena-Ware distributors who sell the product by house-to-house contact with residents. As gimmicks and high-pressure methods are used on people who can ill afford the product (especially elderly people who do not know the real position), can the Attorney-General say whether legislation will be introduced to prevent the use of these sales methods, and whether he has received complaints about this firm?

The Hon. D. A. DUNSTAN: I have had at least one or two complaints a week concerning Rena-Ware distributors, sometimes more. It is clear that high-pressure sales tactics of an undesirable type are used to sell this product. The product itself is satisfactory: I am not suggesting anything to the contrary. However, although it is a good product, because of the representations made and the kind of high-pressure sales tactics used by salesmen on elderly people, about which we have had many complaints, we have considered introducing legislation in respect of all door-to-door sales of goods or services. When the Unfair Trades Practices Code, referred to in His Excellency's Speech, is introduced, it will cope with door-to-door sales of this kind. We hope the legislation will be introduced soon, but it depends on the length of time taken over debates on Bills now before the House.

ROLLING STOCK.

Mr. CURREN: Last session I brought to the notice of the Minister of Transport the need for a new type of railway waggon that could be loaded and unloaded by forklift trucks and pallets. Will the Premier obtain a report on the action that has been taken by the Railways Department on this matter?

The Hon. FRANK WALSH: I shall be pleased to consult my colleague and obtain a report.

LOCAL GOVERNMENT COMMITTEE.

Mrs. STEELE: Has the Minister of Education a reply to my recent question about an interim report from the Local Government Act Revision Committee?

The Hon. R. R. LOVEDAY: The Minister of Local Government reports that he has been informed by the Chairman of the Local Government Act Revision Committee that the committee will submit an interim report to him at the end of September, 1966, which marks the completion of 12 months' investigation. When received, the interim report will be submitted to Cabinet for consideration for release.

HOUSING TRUST.

Mr. COUMBE: In view of the difficulties being experienced by prospective house purchasers in obtaining suitable bank finance, especially because of the high limit required by the Housing Trust and lending institutions generally, and because of the level of the unencumbered wage required today, and in view of the number of vacant Housing Trust purchase houses available for sale, will the Premier, as Minister of Housing, consider reintroducing the system of the Housing Trust's providing more rental houses, similar to its former policy?

The Hon. FRANK WALSH: This matter is at present being considered. Although I have not yet had final discussions with the General Manager of the Housing Trust, Cabinet has examined the possibility of reverting to providing more rental houses, as against the \$100-deposit purchase houses. Some people desiring the latter type of house simply do not have the money, whilst others may not be satisfied with the design. In addition, some people have as much as \$200 as a deposit. Although I am aware that houses are vacant, I assure the honourable member that I shall be having a further talk with the General Manager of the Housing Trust on this important matter.

GROUP CERTIFICATES.

Mr. FREEBAIRN: As two teachers from my district have complained to me that they received their group certificates from the Education Department only two days before the date on which they had to submit their taxation returns to the Deputy Commissioner of Taxation (although that may have occurred because of an administrative oversight by the department), will the Minister of Education ascertain whether group certificates could be issued earlier next year?

The Hon. R. R. LOVEDAY: Yes, although I point out that in such circumstances an extension of time can be easily obtained from the Taxation Department. The Accountant of the department is not always able to issue group

certificates under the present arrangement as promptly as he otherwise might, because he wishes to look at the whole field before sending them out.

FRUIT INSPECTORS.

Mr. McANANEY: Has the Minister of Lands a reply to my question about the number and training of fruit inspectors?

The Hon. J. D. CORCORAN: The inspection staff employed in the Agriculture Department is as follows: seven classified and nine temporary inspectors all employed full time. These officers spend about one-third of their time each on inspection for the Commonwealth Department of Plant Quarantine, the Commonwealth Department of Primary Industry (Export Fruit) and the South Australian Agriculture Department. During the apple export season, seven or eight full-time temporary officers are employed, and during the citrus export season, nine or 10 are employed as temporaries; four permanent inspectors who do red scale and general work are also employed on citrus export in season. At Myponga a departmental project officer is used for citrus inspection work and at Mount Gambier there is one full-time inspector.

A citrus supervisor is employed in the river districts during the export season. His normal position is that of a permanent project officer in the Agriculture Department. The qualifications required at present are the Intermediate Certificate as a minimum educational qualification in addition to a wide knowledge of the crop with which officers will be concerned and its production, and the identification of common pests and diseases and fruit disorders. After appointment, they receive departmental training on the regulations and procedures. A recent press statement referring to reports at a primary producers' conference was confusing. Reference was made to the employment of an ex-policeman, an ex-bank manager and a meat inspector. These are not on the staff of the Agriculture Department. Cannery inspectors and dried fruit inspectors are employed and administered directly by the Department of Primary Industry and have no connection with the State Agriculture Department.

MARGARINE.

Mr. SHANNON: Has the Minister of Lands, representing the Minister of Agriculture (whom I wish well in his absence through illness), a reply to my recent question about observing

the Privy Council's ruling on the manufacture of margarine by a certain company in New South Wales?

The Hon. J. D. CORCORAN: I shall be happy to pass on the honourable member's good wishes to the Minister of Agriculture. He reports that the South Australian Government has instituted legal proceedings against the offending company, and the case was heard in the Magistrates' Court. The decision of this court, which was favourable to the Government, is the subject of an appeal to the High Court. Judgment in this court has been reserved. In these circumstances, the matter is at present *sub judice*. In the meantime, inspections have been made by the Agriculture Department to determine what non-quota stocks of table margarine are held in store in Adelaide. Pending a decision by the High Court, the situation is being carefully observed and recorded.

LAND TRANSACTION.

Mr. CLARK: I was contacted at the weekend by a gentleman who believed that he and his partner had suffered grievously in a land deal. Having been supplied with full documentation of the case, which I have carefully examined, I believe that the deal may be described as very doubtful. Therefore, will the Attorney-General have this matter investigated?

The Hon. D. A. DUNSTAN: If the honourable member will supply me with the details, I shall have the Land Agents Board investigate the matter.

GREYHOUND RACING.

Mr. McKEE (Port Pirie): I move:

That in the opinion of this House a Bill should be introduced to provide for:

- (a) the repeal of the Coursing Restriction Act, 1927;
- (b) the amendment of the Lottery and Gaming Act, 1936-1966, to allow the licensing of totalizators at greyhound race meetings; and
- (c) the control of greyhound racing in South Australia.

Honourable members will recall that I introduced a similar motion during the last session and that it was very narrowly defeated. Because of this, the greyhound racing fraternity has asked me to present another motion to this House.

Mr. Quirke: It was my fault that it was lost on the last occasion, and I will redeem my action on this occasion.

Mr. McKEE: The honourable member indicated to me that when this motion was introduced again he would support it, and that he

would support a Bill when it came before the House. I do not intend to bore members by repeating everything I said last year. The greyhound racing fraternity of South Australia continues to stress its claim for equality with its counterparts in the Eastern States and with other forms of racing in this State. It asks why it is selected as a racing body to be subjected to unfair restrictions and suppression and why certain sections of racing should be given all the gambling facilities and only greyhound racing be restricted. In 1956, when a Bill on this matter was being debated, Sir Thomas Playford, who was then Premier of this State, said:

The argument that has been used on numerous occasions in the past has been: "You give horse racing the facilities for gambling and you give trotting the facilities for gambling, so why should not dog racing have those facilities?" . . . Quite frankly I do not know any logical answer to it.

Mr. Nankivell: That is only for gambling purposes. What about the sport?

Mr. McKEE: Yesterday, when I interjected during the honourable member's speech, he had a severe attack of deafness. Today I have contracted that complaint. For once I agree with the member for Gumeracha (Sir Thomas Playford), as I know of no logical reason why one section of the community should have all the facilities for betting and another should be completely restricted. It has been proved everywhere in the world by the popularity of greyhound racing that it is as good a medium for gambling as, if not a better medium for gambling than, are other forms of racing. Greyhound racing in this State has continued to grow despite the restrictions placed upon it back in 1927.

Mr. Curren: It's an amateur sport now, isn't it?

Mr. McKEE: It is common knowledge that a dog will race after a moving object, which in the Eastern States is the mechanical lure. In South Australia the dogs are made keen enough to want to be first to get to a cage containing live rabbits. This type of racing indicates that a dog has to be made savage to win races in this State, but any dog can be taught to chase a moving object without its being made savage, so surely the use of a mechanical lure similar to that in other States is desirable. There is no evidence that mechanical lure racing in the Eastern States or anywhere in the world increases cruelty to small animals. On the contrary, it would undoubtedly reduce it in South Australia. At this stage I should like to refer to the following letter

I received from the honorary secretary of the Animal Welfare League of South Australia Inc. (Mrs. Joyce Richardson):

I am writing with regard to the motion endeavouring to introduce the mechanical lure for greyhound racing, which I understand you will bring before the South Australian Parliament on August 3. Might I say that I do realize the mixed reception you have had, which is mainly due to the past apathy with regard to animal welfare, so that anything of the nature presented by this motion will not at first sink in! It is obvious from the sample of past letters to editors of our newspapers that people want reforms in animal welfare and, as they speak of "the powerlessness of the Royal Society for the Prevention of Cruelty to Animals", it is obvious we need to encourage the active and reforming aims of such men as the Chairman of the Adelaide Greyhound Racing Club Inc. He assures me that he is prepared to do his utmost to see that the past easy methods of "bleeding" greyhounds will be eliminated, and, as the Victorian Animal Welfare organizations are asking that all greyhound training and racing tracks, including privately-owned training tracks, be registered and open for inspection at all times by animal welfare officers, police and greyhound racing officials, it seems a good indication that the greyhound people here are also asking for this themselves when the Bill is presented to Parliament. There has been a bias towards greyhounds and their owners in South Australia, some of which has been most unfair, and now that so many British migrants are here, with the feeling they have towards their dogs, it seems we should reconsider our views. I therefore wish you every success, for I am sure that, if the standard of racing at Olympic Park, Melbourne, could be realized, we could do no harm by introducing the same thing here.

Mr. Ferguson: Have you received a letter from Mr. Tossell?

Mr. McKEE: No, but no doubt I shall. This league is an organization that has set itself up in this State to protect animals, and the letter gives its opinion regarding mechanical lure racing. As the league supports it fully, I think this should give honourable members some indication of the desirability of this type of coursing.

Greyhound owners ask only for equality to give them the right to race for the prize money that is on offer in Victoria and New South Wales. Without proper racing facilities, it is impossible to prepare a dog to race in other States. The Leader of the Opposition has stated publicly that we should fall into line with the Eastern States on social issues. Surely the greyhound racing fraternity has strong claims for equality. Many British migrants are disappointed that they cannot participate in greyhound racing. Several

families have moved to other States so that they can take part in it, and many more will move if they are not permitted to take part in the sport of their choice.

Charities of all types in other States benefit from greyhound racing. For instance, so far this year \$6,000 has been paid to the Children's Hospital in Victoria, and six beds in the Cancer Research Hospital in New South Wales are maintained by greyhound racing in that State. The Eastern States Governments receive large sums of revenue from greyhound racing each year. Many years ago it was common to see a battler own a racehorse, but rising costs now make it impossible for the average man to own a horse or take part in racing or trotting. However, the cost of owning, training and racing a greyhound is within reach of any wage earner's means, and is not likely to cost more than his weekly spending money.

If this motion were carried, legislation would be introduced in three sections. First, the Coursing Restriction Act of 1927 would be repealed. At present, this Act restricts the use of a mechanically or electrically controlled hare to entice dogs to race, the method used everywhere else in the world. Secondly, the Lottery and Gaming Act would be amended to allow a totalizator to operate at greyhound meetings. It is considered most unfair to allow betting on one form of coursing and not on another. Greyhound racing is surely the best test of speed and must provide the best betting medium. Thirdly, legislation would be introduced to control greyhound racing in South Australia. It was disappointing to the many followers of greyhound racing that a similar motion in the last Parliament was narrowly defeated. I ask members of this Parliament to give fair and proper consideration to the claim of people interested in greyhound racing for equality with other racing bodies in this and other States.

Mr. Hughes: It was given favourable consideration last year.

Mr. McKEE: It was very favourable in view of the fact that two or three members were away and the bells were not working in one section of the House. Without those contingencies the motion would have been carried in the last Parliament despite the opposition of the member for Wallaroo.

Mr. Quirke: You should get the member for Wallaroo to introduce the Bill.

Mr. McKEE: He indicated to me that he would be prepared to introduce the Bill. Intelligent people do not go on indefinitely

accepting an outdated and ridiculous law; they want something done about it and they believe they have a strong enough case to oppose this restrictive law that prevents them from enjoying the same social activities as are being enjoyed by similar sporting bodies in other States. I hope honourable members, after seriously considering the motion, will give this sporting body its just rights.

Mr. BURDON secured the adjournment of the debate.

GAS.

The Hon. Sir THOMAS PLAYFORD (Gumeracha): I move:

That in the opinion of this House a Select Committee should be appointed to inquire into and report upon what steps should be taken to expedite the construction of a gas pipeline from Gidgealpa to Adelaide and matters incidental thereto.

This motion deals with a matter that was before the House last year. At that time the Government opposed further action on the grounds that a report was being obtained from the Bechtel Pacific Corporation upon the practicability of a pipeline. Following discussion last year, the Premier decided that he would go overseas to obtain firsthand information. There the matter rested, although the Opposition believed then that the Government should be taking a much more active role in connection with the development of this project, which is of the utmost importance to South Australia. For many years the State's development has been impeded because it has no internal fuel resources of consequence; South Australia is the only State that has no substantial fuel resources. All Opposition members agree that this limitation should be removed as soon as possible. Therefore, when the Premier said he was going abroad to look into the matter, the Opposition did not object because we hoped that as a result we would see some positive action taken and that a speedy determination would be made on what could and should be done so that South Australia would not miss out on what I believe would be the most substantial development that could be undertaken here at present. Unfortunately, we have marked time for a year on this matter. We are now no further forward than we were 12 months ago.

The Hon. Frank Walsh: Why don't you say two and a half years ago?

The Hon. Sir THOMAS PLAYFORD: I am merely stating the facts as they exist: no progress has been made in connection with this matter. In one respect we have slipped back,

because a large and important industry, which was necessary in connection with the establishment of the pipeline as it made fertilizer out of some of the surplus gas, has gone to Queensland where steps are being taken for its establishment.

Since the Premier and his party returned from overseas many statements have been made about this project. I consider that the first statement made was on the right track in that we were going to get somewhere. In the *Advertiser* of June 15, under the heading "Hopes on Early Gas Pipeline Decision", appeared the following report:

The construction of a natural gas pipeline from the Gidgealpa field to the Adelaide metropolitan area is "economically practicable," the Bechtel Pacific Corporation believes. The Premier (Mr. Walsh), on his return from overseas today, disclosed that this was indicated by the preliminary study undertaken by the United States consultants on behalf of the Government. Mr. Walsh said he was confident a decision could be made soon on the building of a natural gas pipeline, but a number of local developments had to be examined first, including the significance of the Moomba flow. The consultants' report was lodged with the Premier as he left for overseas in March.

The Government had had the report from the investigating company since March. The next day Mr. Bevan, who accompanied the Premier on his overseas trip, stated:

Immediate action will be taken to ensure that the natural gas is delivered to Adelaide and other centres as soon as possible. The recent encouraging discoveries of the large Moomba structure have convinced me that adequate gas reserves are now available in that area.

It seemed that immediate action would be taken, but we have found that the project is slowing down. In answer to my recent question about the cost of the report of the Bechtel corporation, I was informed that the matter had to be referred to that company for further investigation. Apparently, the Commonwealth Government has not accepted the submission made by this Government. We know that if it is not accepted now it will not be accepted until the Commonwealth Budget position is considered next year. The Loan Council has already met and the Commonwealth Government has prepared its Budget, and we now find that it has not accepted this Government's proposition. This is disquieting news, but not as disquieting as the following statement appearing in the *Advertiser* on July 28:

The Director of Mines (Mr. T. A. Barnes) told the Rotary Club of Adelaide at a luncheon yesterday that the "natural gas age" in Australia was closer than most people

realized. There was every indication that South Australia would be using natural gas within five years.

Everyone knows that a pipeline of this size can be constructed within a reasonable period of two years without great difficulty.

The Hon. B. H. Teusner: Eighteen months, I should say.

The Hon. Sir THOMAS PLAYFORD: If we have adequate proven reserves, why does this senior Government officer, who travelled overseas with the Premier, say that we can expect to be using natural gas within five years? Apparently a suggestion has been made that we should look elsewhere for natural gas, but the project should not be held up while this is done. Less important matters should not be considered while the pipeline project is held in abeyance. No action this Government can take will mean more to the economy of the State than the construction of this pipeline. We should take ample and active action to see that the great natural resources are made available for public use. Apparently, the Government is not prepared to take the Opposition into its confidence about this project. I remind the Premier that when natural gas was first discovered at Gidgealpa I extended to him an invitation to visit that place, and personally conducted him on that visit so that he would be fully acquainted with what had taken place. I deplore the fact that now a new field has been established a similar courtesy has not been extended to the Leader of my Party. It is high time the people of South Australia were informed of the new discovery of gas, so that they might know what to expect from this field. Far too much fluctuation has occurred in the price of gas shares on the Stock Exchange, probably because sufficient information has not been made available to the public.

Mr. Casey: Are you implying that Parliament should control the Stock Exchange?

The Hon. Sir THOMAS PLAYFORD: Why is the House denied the opportunity to study the Bechtel report? It was a report on a public matter. When we ask for the report we are told not much is in it; next, we are told further information has to be obtained. I venture to suggest that the report has been obtained, albeit at heavy public cost. The Government has obtained the report not in the way of private advice; it is public advice, so why does the House not pursue public policy in this matter? Every member knows that the project can be undertaken by two alternative

processes: either a franchise can be granted to a private company to undertake the financing, installation and establishment of the pipeline, or a Government or semi-government authority can be established to undertake the work. However, whatever the Government's policy may be (whether it decides that the project should be undertaken publicly, privately, or even if it mixes the two alternatives and uses private and Government money), the fact remains that the project must be examined by the House, either by the Public Works Committee or by a Select Committee, before it can proceed.

I do not care which way the Government ultimately decides to undertake the work, but an inquiry will have to be held beforehand. All the information made available to an inquiry committee would undoubtedly expedite the consideration of the legislation necessary to implement the scheme. The Opposition is not satisfied with the progress being made in this matter; it believes that the Government is paying attention to many matters (both inside and outside the House) less important than this topic. No action taken by this Parliament would be responsible for a better fillip to South Australia's economy, development, as well as its employment situation, than the implementation of this project. It would also be a tremendous inducement to industry to establish here. It is true that gas reserves are available, and it is advised on the most competent authority that a pipeline is practicable. Indeed, the Minister of Mines said that, compared with projects he had seen overseas, this was a "push-over". Why are we not getting down to the fundamentals necessary for the legislation to be prepared? Why are we not examining the method of finance to be used so that we can get on with the job? We are neglecting an important job and chasing many relatively unimportant matters. A Parliamentary committee would not be costly; it would undoubtedly be able to sift the facts quickly, and would be the best way of proceeding with this matter. I hope the motion will receive the support of the House.

The Hon. G. G. PEARSON secured the adjournment of the debate.

THE BANK OF ADELAIDE'S REGISTRATION UNDER THE COMPANIES ACT 1892 ACT AMENDMENT BILL (PRIVATE).

The SPEAKER: I lay on the table the report of the Examiner of Private Bills. The Examiner of Private Bills reports that the

Standing Orders, so far as they are applicable to this Bill, have been complied with.

Second reading.

Mr. SHANNON (Onkaparinga): I move:

That this Bill be now read a second time.

In speaking to the Bill I shall read the following letter from the Commonwealth Treasurer (Mr. McMahon) to the General Manager of the Bank of Adelaide (Mr. Wright):

Dear Sir, I have received from the Governor of the Reserve Bank your letter dated June 6 seeking my consent under section 63 of the Banking Act 1959-65 to the proposed cancellation of the reserve liability on the shares of the Bank of Adelaide. In so far as the proposal described in that letter may involve the reconstruction of the Bank of Adelaide within the meaning of section 63 of the Banking Act, 1959-65, I consent to the reconstruction being effected as proposed.

(Signed) William McMahon.

I have had the assistance of the bank's solicitor in setting out the reasons for removing the reserve liability on the shares of the bank, in the event of its being wound up.

The sole object of this Bill is to repeal section 10 of a private Act entitled "The Bank of Adelaide's Registration under the Companies Act 1892 Act." This was itself a private Act passed by the Parliament of South Australia in 1928. The effect of section 10 of the 1928 private Act, which section it is now desired to repeal, was to attach to shares in the Bank of Adelaide an additional or reserve liability under which, in the event of a winding-up of the bank and of its assets being insufficient to meet its liabilities, the shareholders could be called upon to contribute not only the balance (if any) unpaid on their shares but also a further amount up to but not exceeding the nominal value of their shares.

The Bank of Adelaide is now the only bank, and indeed it may possibly be almost the only public company of any kind now carrying on business in Australia, which still has this peculiar liability attaching to its shares. Whatever may have been the reason or justification for such a liability in earlier years it has, under modern and present-day conditions, become a mere anachronism having regard to the strength of the bank's reserves and the controls over banking now exercised by the Commonwealth.

It should perhaps be observed that the purpose of this Bill is not to confer any benefit of any kind on the bank itself but merely to benefit the numerous members of the public who now are or in future may become

shareholders in the bank; but it is proper that the initiation of the proposal should come from the bank itself.

To understand the position, it is necessary to look briefly at the historical background and examine the reasons why this liability was originally created. In England in the 18th and the early part of the 19th century the pattern gradually arose of major business and industrial enterprises being established with the support of money subscribed by the public. This was a tremendously significant and important factor in the growth of England as a great power in the industrial, commercial and financial sense. Originally, these enterprises were established under the label of joint stock companies. These had certain features common to companies in the modern sense, in that subscribers to the capital took shares and the government of the enterprise was entrusted to a board of directors, but they had no separate legal corporate identity and they were in fact no more than large partnerships, the members of which had unlimited liability in the event of a disaster.

There were many legal difficulties and problems where such an association could not contract or hold property or sue in a corporate name, and furthermore any creditor of the enterprise could single out any single shareholder and sue for and recover his debt in full, leaving that shareholder, if he could, to get contribution from the other shareholders. At an early stage the need for incorporation of such enterprises became a practical necessity, and there was naturally also a great public clamour for some limitation on the liability of people who put money into these adventures. Until the introduction in England in the year 1844 of legislation under which this type of joint stock company could acquire corporate identity by a simple process of registration, it was necessary in each instance for the enterprise to apply for a special Act of Parliament granting it corporate status, and this was always a tedious and expensive process.

In 1844 legislation relating to joint stock companies was introduced in England by Gladstone, under which such enterprises could acquire incorporation without a special Act of Parliament by mere registration with an appropriate authority. This legislation also prohibited large partnerships from carrying on business. This is the historical origin of the provision that still exists in section 14 (3) of our Companies Act of 1962, which prohibits partnerships of more than 20 persons from carrying on business.

The first general Companies Act, forming the foundation of modern company law, was the English Act passed in 1862, and South Australia's first Companies Act, which was based very closely on the English legislation, was passed in 1864. This Act, however, excluded incorporation for the purposes of carrying on banking, and therefore at the time when the Bank of Adelaide was formed in 1865 it was necessary for the promoters to establish the enterprise in the first instance as an unincorporated partnership or joint stock company and then to seek a private Act from Parliament granting incorporation. This was effected by the first Bank of Adelaide Act of 1865, and in section 8 of this Act the liability of members was limited, in a winding-up, to the amount (if any) unpaid on their shares and in addition for an amount not exceeding the nominal amount of the shares. This general pattern of limitation of liability on such a formula is to be found in many early private Acts of South Australia incorporating other business enterprises in the same way, and similar examples can be found on the Statute Books of the other provinces of Australia, notably the Act originally granting incorporation to the Bank of New South Wales in that province in the year 1850. As the bank was not a limited liability company under the ordinary existing companies legislation, its internal organization was still governed by its deed of settlement made in August, 1865, and, whenever amendments to this were found necessary, a very cumbersome process was involved. By 1928 there had been no less than eight amendments to this deed of settlement assented to by shareholders.

In 1928 it was thought that it would be much more convenient for everyone concerned if the bank could have a memorandum and articles of association in the same way as an ordinary company with limited liability, and therefore the bank petitioned Parliament for and obtained the further private Act of 1928 to enable this to be done. This Act empowered the bank to adopt a memorandum and articles of association in the form set out in the schedule to that Act, and provided that upon these being filed with the Registrar of Companies the bank thereafter could conduct its corporate affairs in the same manner as if it were a company registered under the Companies Act, although the actual corporate identity of the bank, as created by its 1865 Act, was expressly preserved and continued. This meant, in effect, that the bank still remained a corporation created by its own original special

Act of 1865, but with the convenience of having a memorandum and articles of association, which could be amended from time to time as found necessary, as if it were an ordinary company actually incorporated under the general company legislation.

The 1928 private Act further provided that, upon the filing of the memorandum and articles of association with the Registrar of Companies, the bank's private Acts of 1865, 1904 and 1920, the deed of settlement of 1865 and the eight supplementary amending deeds were all automatically repealed. Following the passing of the 1928 private Act the bank immediately filed a memorandum and articles of association with the Registrar of Companies, thus bringing about the repeal of the earlier Acts and the deeds of settlement. Hence, the only existing legislation enforced relating to the Bank of Adelaide is its 1928 Act.

The 1928 Act, by section 10, re-enacted in substantially the same wording the original section 8 of its 1865 Act, thus retaining the reserve liability on the shares originally created in 1865. It is in this section 10 which the present Bill now seeks to repeal, and a small consequential amendment to the bank's memorandum of association is also needed. Most of the leading banks of England had until fairly recently some comparable reserve liability on their own shares that probably arose originally from the same historical reasons. The first bank to take steps to remove this liability was Barclay's Bank, which did so in 1953. In 1957, Lloyd's Bank took the same step, followed in the same year by Martin's Bank, the National Provincial Bank, the District Bank, the Westminster Bank, and finally the Midland Bank. References to these events are to be found in leading financial banking journals of the day such as *The Banker*, *The Economist*, and *The Statist*. It would appear that these banks did not need to obtain any Parliamentary authority for what they did but were able to do so by a reduction of capital involved in the cancellation of the uncalled liability and by having such reduction approved by the High Court of Justice in England. I have been given a quotation from one of these journals, but I do not think I need read it.

These changes in England came to the attention of certain major Australian banks, which also had similar reserve liability on their shares. These were the Bank of New South Wales and the Commercial Banking Company of Sydney Limited. The Bank of New South Wales, which was originally incorporated in New South Wales in 1850 by private Act of

Parliament (although the history of its business goes back much earlier, to 1817) sought to obtain a private Act for this purpose and approached the Government of New South Wales. That Government not only readily accepted the desirability of such legislation, but volunteered to put the measure through as a public Bill, and this was actually done by the Bank of New South Wales (Amendment) Act, 1962. This Bill was introduced in the Lower House by the Premier, Mr. Heffron, and in the Council by the Attorney-General, the Hon. R. E. Downing. Those interested can find a report of the debates on the Bill in New South Wales *Hansard*.

The other Australian bank that had a comparable reserve liability was the Commercial Banking Company of Sydney Ltd. In this case the bank was an ordinary incorporated public company with limited liability, and it did not need or have any special private Act governing it. The Bank of Adelaide now remains the only bank in Australia with this liability. For the reasons given, the liability in this instance, having been created by Parliament, can be removed only by Parliament. At a recent general meeting of its shareholders, the Chairman of Directors (Sir Arthur Rymill) announced the intention of the bank to seek an amendment to its private Act for this purpose, and his statement was received by shareholders with expressions of approval. The only other point to be noted is that the Bank of Adelaide is one of the banks named in the schedule to the 1959 Commonwealth Banking Act, and under section 63 of that Act a named bank may not effect a "reconstruction" without the approval of the Treasurer of the Commonwealth Government. I have already referred to the copy of a letter in connection with this. Although there may be room for doubt whether the present proposal amounts to a "reconstruction", application has been made to the Commonwealth Treasurer for his consent thereto, which has now been received.

I hope the House will receive my explanation in the right spirit. This is a South Australian Bank, founded in South Australia, and happens to be the only organization left in the banking world, and possibly in the commercial world, of Australia that has its reserve liability attached to its shares. In the different commercial circumstances with which we are faced today this form of liability is an anachronism, and I do not see why the South Australian Parliament would have any objection to doing what the New South Wales

Parliament did when it removed this provision for the oldest bank in the Commonwealth, the Bank of New South Wales. If that was good enough for the Bank of New South Wales it should be good enough for the Bank of Adelaide. I move the second reading.

The Hon. FRANK WALSH (Premier and Treasurer): I support the Bill. I compliment the honourable member for his investigation into the matter. The bank has operated for over 100 years in South Australia and its activities are worth noting. Although I have not been a customer of the bank personally, I have had the pleasure of conducting business arrangements with it and I have been impressed with the courtesy that has always been extended, even with regard to important matters associated with the Government. I support what the honourable member said in his second reading explanation and I expect that the Bill will receive the blessing of members. As the Bill will be examined by a Select Committee, I hope that members will give it a speedy passage.

Bill read a second time and referred to a Select Committee consisting of the Hon. D. A. Dunstan, Messrs. Hudson and Rodda, the Hon. B. H. Teusner, and Mr. Shannon; the committee to have power to send for persons, papers and records, to adjourn from place to place, and to report on August 24.

MENTAL HOSPITALS.

Adjourned debate on the motion of Mrs. Steele:

(For wording of motion, see page 569.)

(Continued from July 20. Page 578.)

The Hon. FRANK WALSH (Premier and Treasurer): I have received some information, which I intend to put before the House. The Director of Mental Health, Dr. Shea, has been overseas. There was a three-fold purpose in this visit. Dr. Shea is the Australasian member on the Executive Board of the World Federation for Mental Health and during his visit overseas he attended the annual executive board meetings and conference of the Federation in Prague. Dr. Shea was invited to present one of the main addresses at the plenary session of the conference and his attendance at this conference enabled the mental health services of South Australia to be kept up to date with the latest world trends and developments in mental health. Information gained at the executive board and annual meeting of the World Federation for Mental

Health will be of use for planning both future services and future research programmes for psychiatric units in this State.

The second purpose of Dr. Shea's visit was to enable him to visit the United Kingdom for recruitment of medical officers. Some interviews were arranged through the Agent-General in London before his departure. This State is particularly interested in the possible recruitment of senior qualified psychiatrists urgently needed for the developing mental health services. The third purpose of the visit was to enable Dr. Shea to inspect appropriate day centres and hospitals for the retarded and also day hospitals for the elderly and geriatric patients. He visited the United Kingdom for this purpose and at the same time he was interested in the latest trends in the treatment and training of intellectually retarded patients.

In addition to the developments which have been mentioned by the member for Burnside (Mrs. Steele), there are perhaps some others which are also relevant. The pressure on the mental hospital beds has been contained by a number of developments within the Mental Health Services. Outpatient services have been expanded and, last month, as referred to by the honourable member, a new Outpatient Department was opened for the northern zone of the State at Enfield Hospital. There has been a steady increase each year in the use of the outpatient services. Three country centres are being provided with outpatient services, on a monthly consultative basis, at Mount Gambier Hospital, Barmera Hospital and Port Augusta Hospital.

Since the appointment of a geriatrician last year, a Geriatric Assessment and Treatment Ward has been established at both Parkside and Hillcrest Hospitals. Some conversion work is necessary at Parkside Hospital in order to provide proper facilities, and this work is being given a high priority. Geriatric patients are being given an intensive assessment and appropriate treatment programme and many are able to leave hospital within a month. By giving the appropriate advice to general practitioners and keeping in touch with homes for the aged in the city and suburbs, many geriatric patients have been able to move from the hospital, and the geriatric waiting lists have been reduced. Palm Lodge Hostel in Baliol Street, College Park, was purchased some time ago, and at the present time additions to this hostel in the way of catering, dining rooms, and day rooms are nearly completed.

The additions will enable the hostel to cater for up to 30 patients who are being discharged from hospitals, but who need some initial support and assistance in finding accommodation and employment. These ex-patients will occupy the hostel for a limited period and, during that time, employment and accommodation within the community will be arranged. A second Child Guidance Clinic for the northern zone has recently commenced at Fitzroy Terrace, Prospect, and this has been necessary to relieve the pressure on the Child Guidance Clinic in Wakefield Street.

It is also intended that a Community Mental Health Centre will be opened on Greenhill Road, Parkside, this financial year. Its function is to provide appropriate therapeutic, emotional, social, and occupational support to meet the needs of all mentally-ill people in the district which it covers. The service should also provide measures for the promotion of mental health in the community and for the prevention of mental illness. This is achieved by the provision of:

- (1) Psychiatric outpatient clinics for the evaluation, diagnosis, and treatment of the mentally ill in the district.
- (2) An emergency psychiatric domiciliary visiting team for attendance in the home during psychiatric crises.
- (3) A psychiatric consultative service to other social agencies in the community.
- (4) A sheltered workshop.
- (5) A day centre for those made socially dependent through mental illness.
- (6) A programme for preventive psychiatry and for mental health education.

This will be the first such centre in this State. At present, there are over 600 intellectually retarded patients in Parkside and Hillcrest Hospitals, but on the completion of the Strathmont Training Centre, many of these will be transferred to that hospital. The accent at the proposed new hospital training centres will be on training rather than custodial hospitalization, and it is expected that there will be a much greater turnover of patients. There is also a considerable waiting list and, under present circumstances, the maximum service is being given to intellectually retarded patients who are not able to be admitted to hospital. An Assessment and Diagnostic Clinic for the intellectually retarded was opened at the Outpatients Department of the Parkside Hospital about 12 months ago, but because of space limitations, the intellectually retarded clinic

is now located in portion of the premises at Fitzroy Terrace, Prospect. That is a temporary expedient to provide more space for this clinic.

The parents with problems concerning their retarded children can visit this clinic to receive extra help and advice, and to have their children placed on the waiting list for future admission to hospital where this is indicated. The maximum help and support is given to these parents by a Senior Clinical Psychiatrist and a Specialist Paediatrician (Dr. J. S. Covernton) and, at the same time, there is an added emphasis, within the hospital wards for the intellectually retarded, on training programmes for these particular patients. In addition to the activities in the care, treatment, and support of intellectually retarded patients coming within the ambit of the Mental Health Services either as inpatients or outpatients, it may also be relevant to say that the Assistant Director of the Intellectually Retarded Services (Dr. Covernton) has been very active in co-ordinating with outside bodies interested in this field, and this can only be to the great benefit of the intellectually retarded patient in this State.

All these developments have enabled the numbers of inpatients at Parkside and Hillcrest Hospitals to be reduced a little during the past year, so that the wards can be brought down to a more manageable and therapeutically-effective size. As the member for Burnside said, the last annual report published was a combined one for the years 1961-62 and 1962-63. It is understood that the proof for the 1963-64 report has been completed, and the proof for the 1964-65 report will be completed within the next three to four weeks. Approval has been given for the preparation of working drawings etc. to enable tenders to be called for the new Strathmont Hospital and Training Centre at Hillcrest. Tender documents will also be prepared for Elanora Hospital, which is of similar design to Strathmont.

Detailed planning for the Strathmont Hospital is at present going on at the Public Buildings Department, and the Director of Mental Health has regular fortnightly meetings with the Senior Architect of that department to discuss detailed planning and treatment facilities, etc. The letting of contracts will depend on the availability of funds. With the heavy commitment of funds on the rebuilding of the Royal Adelaide Hospital it will not be possible to let a contract for either hospital during the current financial year. On

present planning, tenders would be called first for Strathmont with Elanora following at a later date.

The State Grants (Mental Health Institutions) Act of 1964 provides for Commonwealth support up to one-third of the expenditure on capital projects for mental health institutions in the three-year period July 1, 1964 to June 30, 1967. The State still has to find two-thirds of the cost, and because of the very high cost of Strathmont and Elanora their construction will have a heavy impact on State resources. Therefore, the Government must have regard to the State Loan funds available as well as to the offer of Commonwealth support. The Government will keep the situation under review and will make every effort to push ahead with planning and actual construction as speedily as finance allows. My colleague, the Minister of Health, returned the week before last from a two-day conference in Canberra of Commonwealth and State Health Ministers. Amongst other matters, the State Ministers submitted claims for greater Commonwealth aid for mental health institutions, and the Commonwealth Minister has agreed to submit the claims to Cabinet.

Mr. QUIRKE secured the adjournment of the debate.

DEPARTMENT OF DEVELOPMENT.

Adjourned debate on the motion of Mr. Coumbe:

(For wording of motion, see page 578.)

(Continued from July 27. Page 720.)

Mr. McANANEY (Stirling): Last week we heard the Premier's remarks on this motion. They were more an apology than a statement of the future policy for development in South Australia. At one stage he said that the economic difficulties had existed in this State for the last 18 months—in other words, during the period of the Labor Government. Although he endeavoured to prove by statistics that things were not as bad as we had been trying to demonstrate by statistics, the figures he supplied covered only a short period. For instance, he took the month of June and tried to say that for that month things were better in South Australia than they were in Western Australia. Perhaps just for that period of one month this was so, but this matter must be viewed over a period of at least a year. All statistics show that we have in South Australia this slowing down, which started 15 to 18 months ago. Whatever the reason for it may have been, it would appear that it is through

lack of knowledge of how to create the forces and conditions required for economic growth and development. But I think it is because of a lack of confidence in this State that those factors are present at the moment, and we are all anxious that some improvement be made.

An effort was made to try to blame it on to the Commonwealth Government but the figure for the Commonwealth tax reimbursements to South Australia is \$81 a head of population, the Australian average being \$70; so certainly the Commonwealth Government is making a fair contribution there. The only unfortunate thing about it is that, if our country runs down and we do not have the increase in population that we have had over the previous two years, we shall not get such a large proportion of tax reimbursements. That has already been demonstrated this year when South Australia received only a 7.7 per cent increase whereas other States received nearly 9 per cent increase. There is that slowing down in the growth of population here, which will aggravate the situation, and we shall receive a lower percentage of tax reimbursements compared with the high percentage we had during the days of a Liberal Government under the wise management of Sir Thomas Playford. In the last Loan allocation we received 13.7 per cent of the moneys allocated; yet our population is just a little over 9 per cent of Australia's population. So how can we say that the Commonwealth Government is at fault?

At one stage the Premier said that the economic recession was Australia-wide. Where does he get these figures? We cannot get them from examining statistics. The employment figures in other States are good in spite of drought. Overtime is still being worked, and the other States are supporting a good rate of progress, whereas we are lagging behind. Possibly the reason why Australia is progressing so well at the moment is the \$600,000,000 of oversea capital that has come to this country to develop new industries.

The basis of this motion before us is that, through lack of development in this State and its inability to attract industries, money is going into the other States, which are priming their economy and keeping it at a high rate of progress, while we here are not attracting a reasonable proportion of industry. That is perhaps why we have this slowing down in South Australia. Steps must be taken to improve our position.

The Premier tried to prove that we were attacking the Public Service by moving this motion. I am not criticizing the Premier of

this State, but no man can handle the jobs that our Premier endeavours to. Even the previous Premier with his great ability found it more and more difficult to manage his departments. The Premier has his social programme to carry out; he is also Treasurer, which is in itself almost a full-time job. He was overseas for three months. Perhaps that has something to do with our state—that there was not sufficient supervision of the Treasury funds—and that is why the deficit was allowed to grow to this extent.

Also, the Premier is Minister of Housing. We have only to read the papers to see what is said about conditions in the building industry, that employment is chaotic and that something must be done about it. The Premier is also the Minister in charge of the Prices Department. He has to attend various functions, too. The Premier said in the course of the debate, "The job is too big for me. I must have more assistance." Instead of asking for an extra Minister, he said, "We must have more people employed in the Premier's Department to carry out the various functions." That is where we need another Minister. Other States have Ministers of Development. Even little Tasmania, with only a fraction of our population, has more Ministers than we have. The other day I stressed my great admiration for the Public Service, but we cannot allow bureaucracy to grow too much. We have the example of France which, for more than a decade, frequently changed its Government, almost from month to month; yet its administration carried on. France's economy was dead, although Government officials performed a reasonable function. However, progress cannot be made without a strong Ministry in close contact with the average voter, so that it may be aware of what is taking place. It was not until the establishment of a permanent Government comprising dynamic Ministers that the French economy came out of the doldrums and really began to progress. One of the criticisms of the present Government (made by Labor supporters as well as Liberal) is that it listens too much to departmental officers, and that the State's administration is becoming too much of a bureaucracy. I recently asked the Minister of Education a question about what the Deputy Director of Education was reported to have said. The Deputy Director is a dynamic person and a man of tremendous ability who, in any walk of life, would go to the top. He was reported to have said that the only thing wrong with adult education in South Australia

today was the lack of co-ordination between the various branches concerned. However, I point out that the University Adult Education Board and the Workers Education Association work in close harmony.

A member of the Education Department has been invited to become a member of the University Adult Education Board, and the department is kept closely informed of what the two organizations are doing. Any lack of co-ordination is brought about by the fact that the Education Department wishes to go its own way and, indeed, makes no effort to co-ordinate. The bureaucratic attitude is that "our way is the only way". I make no attack on the Premier's Department and its administration, but I believe that we should examine the bureaucracy. Apropos my remarks the following press report states:

Then, while the attention of the populace was lifted skywards, straining to see what was going on in the balloon, a diligent, skilled and thoroughly undemocratic Civil Service quietly ran things their way on the ground below. The metaphor constructed by Shaw is an incisive one, because it contains a disturbing element of truth—probably more so today than when it was written. But what it ignores—and what many students of politics consider the vital difference between a British-type Parliamentary democracy and a bureaucracy—is that the activities in the balloon in its comings and goings, up and down, have shown themselves rather uniquely capable of producing a special and successful type of democratic political leader.

The cut and thrust of a British-type Parliament—the periodic swing from the Government to the Opposition benches—have been seen as an unrivalled means of producing leadership for a nation which wishes to remain essentially democratic. From this system has come men with a special facility for unflappability, for common-sense compromise, for keeping an ear tuned and receptive to strong movements in public opinion while at the same time using the best advice of their civil servants without becoming over-awed by it. If the British or Australian Parliamentary system remains capable of turning out such thoroughly apprenticed men, who can get off the balloon when their time comes and rule from a popular base on the ground in smooth supremacy over the civil servants then—even among seasoned observers of the most egalitarian bent—our particular kind of Parliamentary democracy is considered sound and safe from danger of becoming a farce.

We are merely asking for more Ministerial control over Government departments. The Premier has too much to see to in his department. A dynamic Minister in charge of development in the one department, co-ordinating the various efforts made in this field, would benefit the

State, if not Australia as a whole. The article continues:

If personal liberty is in danger these days, in an age of bureaucracy and of mass Government intervention, it is in danger from the expert. And it is no use relying on an expert to catch an expert: ultimately they gang up. "The main business of members of Parliament is to relate different forms of knowledge—including expert knowledge—and to keep the experts in their place. . . ." If Parliament once gives up its role of collective ombudsman in pursuit of an almost platonic concern for "expert" knowledge (and the expert fact today is the exposed fallacy of tomorrow) then it will be embarking on an entirely new role.

We are asking for a Minister to be in charge of development, thus relieving the Premier of some of the load he now carries. Fulfilling social functions, chairing Cabinet meetings and keeping an eye on various departments, is more than one man can cope with. More Ministerial control may bring South Australia out of the doldrums. However much the Government misquotes facts and figures, it must face up to the fact that South Australia is at present experiencing the worst unemployment situation of any Australian State. It has slipped from almost the best position a little over a year ago to the worst position today. Whereas South Australia once had an excess of vacancies over unemployed, the position is now completely reversed. Our aim is to bring development under a separate Minister in an attempt to solve such problems as this.

Mr. HUGHES (Wallaroo): In rising to oppose the motion moved by the honourable member for Torrens I say that never have I heard such a storm of coarse, unsubstantiated criticism as we heard levelled against members of the Public Service attached to the Premier's Department by the honourable member. It seems that with the change of leadership in the Opposition, a vile political scheme has been launched to win back the Treasury benches, and that certain members of the Opposition do not care whom they trample in their mad race for supremacy. This was forcibly demonstrated when the honourable member moved this motion.

In the eyes of the public the ability of certain highly qualified public servants will be seriously questioned. These same men have given outstanding service to the State, and I am saying this not merely because of the attack made on them. If honourable members care to look at *Hansard* they will find that I have made several references to the high standard of efficiency of public servants. These same men whose efficiency has been smeared gave outstanding service to the State under the

Liberal and Country League Administration, in the same way as they are giving it to the Labor Administration today.

Mr. Quirke: Would you give particulars of one instance of smearing?

Mr. HUGHES: The honourable member knows very well that the characters of these men were smeared.

Mr. Quirke: Give one instance.

Mr. HUGHES: I shall do that soon, if the honourable member will be patient.

The Hon. B. H. Teusner: His words were, "I have a high regard for the Public Service."

Mr. HUGHES: I know that, but I shall tell the House other things soon. These men are far above Party politics. They do not let politics interfere with their better judgment or influence their service to the State. This line of attack seems to run in the present Opposition ranks.

Mr. McKee: The member for Mitcham's attitude is typical.

Mr. HUGHES: Yes. In 1963 the honourable member about whom the member for Port Pirie has reminded me stooped to do a similar thing while his Leader was absent. The member for Burra was not happy about that, either.

Mr. Quirke: Whom are you talking about?

Mr. HUGHES: I indicated that, but the member for Burra was not listening. It was the member for Mitcham (Mr. Millhouse). It seems that members who are on the front bench of the Opposition today and who occupied the Government front bench when the former Government was in office are concerned about this and are trying to draw a red herring across my trail. However, I shall not be side-tracked.

The member for Torrens (Mr. Coumbe) wanted to have a shot at the Premier but, running true to form, did not have the courage to do that: he used the term "the Premier's Department" and proceeded to drag in public servants and to drag their good records through the mud. Members opposite have already shown that they intended to support the motion condemning senior public servants.

The Hon. D. N. Brookman: That's complete rot.

Mr. HUGHES: It is not, as I shall prove to the satisfaction of the House. I know that many speakers opposite will try to justify their actions in supporting the motion, but they will soon forget the injustice that has been done, as they have forgotten the injustices suffered by a majority of people when Opposition members were in Government.

They had no sympathies for the many working people killed or injured while travelling to or from work in all those years and whose wives and children received not one penny by way of compensation. Yet, all these points and hundreds of others have become conveniently submerged since members of the former Government Party have become the Opposition and have started spreading the poison of anti-Labor propaganda.

However, this time they have overstepped the mark. Had the mover attacked the Government and not dragged in public servants as the chief medium of propaganda for this vile campaign, I could have understood it, because that is the right of the Opposition if it thinks the Government is not doing its job. I know that, when the honourable member for Torrens replies, he will deny having attacked public servants. If this is to be his line of defence, I ask why he did not stick specifically to Government policy and refrain from using the names of certain public servants. That is my reply to the member for Burra.

The member for Torrens told the House that the Opposition wanted to see vigorous practical and positive methods adopted to secure further industries for this State and that the work of the Premier's Department was really ineffective. He said that the matter was urgent and that a more constructive approach was needed. However, he then proceeded to excuse certain personnel in the Premier's Department. No doubt, had the honourable member kept abreast of the times, he would have proceeded to excuse others in that department.

The Hon. D. N. Brookman: I cannot find any reference to what you are talking about.

Mr. HUGHES: I would not expect the honourable member to find any. The real joke among Government departments since the motion was moved has been that a member of Parliament who set himself up as an authority to criticize a Government department was ignorant of the set-up of that particular department, with the result that certain senior public servants have been condemned in the eyes of the general public. That to my way of thinking is a very serious thing. The honourable member should take steps to have this rectified in the public press.

Mr. Curren: On the front page, too.

Mr. HUGHES: Yes, so as to enable the public to see that a wrong has been done and that the honourable member had no justification for doing it. In setting up a Premier's Department under the Premier, this Government established a department that had

been advocated for a number of years by the previous Government and by members now on this side of the House. However, since last Wednesday week, I have questioned the sincerity of the previous Government in its advocacy, as I intend to prove to the House this afternoon. It dates back to 1960, when the late Mr. O'Halloran moved a motion for the appointment of a Royal Commission to inquire into and report upon decentralization of industry. I shall quote from page 648 of *Hansard* of 1960 to establish that the then Premier, Sir Thomas Playford, intimated that he had great confidence in the ability of the Industries Development Committee. He said:

However, the Government is not unsympathetic to the matters the Leader has placed before the House. I have some suggestions to make; I am prepared to amend the Leader's motion, and when the Leader has considered my amendments and agreed to them or disapproved of them, we could then consider this matter properly and get some solution to it. With this in mind I move:

- (1) To strike out "in view of the alarming concentration of population in the metropolitan area of South Australia, an Address be presented to the Governor, praying His Excellency to appoint a Royal Commission," and insert in lieu thereof "this House requests the members of the Industries Development Committee, acting as a special committee;"
- (2) To add the following paragraph:
 - (f) Whether any, and if so, what, legislative action to encourage the establishment of industry in country areas is possible or desirable.
- (3) At the end of the motion, to add the following paragraph: That, subject to the provision of moneys by Parliament for the purpose, each member of the special committee be paid a fee of three guineas in respect of each sitting of the committee attended by such member.

The then Premier, after moving the amendment, said:

The reason I move these amendments is that I doubt very much whether a Royal Commission is the best method of dealing with this matter. Such an authority would be appropriate to obtain information on intricate matters, but I believe this is a matter largely of political considerations, and as we have already appointed under Statute an authority that has had wide experience in this field I believe that giving this authority an opportunity of considering these matters, not as a specific reference of one industry which they have previously had but in a broad way, would be a much more suitable method of properly considering the broad issues. The committee consists of two members nominated by the Government, two members nominated by the Opposi-

tion, and one Treasury officer. I compliment this committee upon its record of work. Since its inception this committee has inquired into and reported upon nearly one hundred applications for financial assistance from industries covering a wide spread of activities in many localities. About one-third of these applications related to industries in the country. In addition, it has dealt with 12 applications for assistance in providing industrial premises pursuant to the 1958 amendment to the Act. The total assistance granted by way of guarantees, loans, and grants amounts to more than £3,500,000. Guarantees have amounted to £3,423,000 and loans and grants to £141,000, making a total of £3,564,000. One-half the guarantees given related to country industries, the amount of such guarantees being in excess of £1,500,000. Seven loans have been approved, of which five have been made in country districts. The amount of guarantees released to June 30, 1960, was £1,306,000, and repayment of the loans amounts to £101,000.

On the following page, the Premier went on to signify his confidence in the committee when he said:

The Industries Development Committee has been singularly successful in its work. It is a committee representative of both sides of the House and it could well examine and report upon these matters. The amounts paid normally to the members of the Industries Development Committee are, in my opinion, not sufficient to cover a special investigation of this description; they are comparatively small. As this would involve additional work, honourable members will appreciate that the amendments I have moved make the committee a special committee and provide that, subject to Parliament's passing the additional funds, members will be paid a sitting fee for each day they attend. I think the amount proposed there is not exorbitant: it would cover expenses. I have not made it a Select Committee, for the simple reason that a Select Committee, under our Standing Orders, can sit only while the House is in session, and I think much evidence sifting will be necessary before a report is available; so I have made it a special committee.

I think everyone will agree from this quotation that the then Treasurer had great confidence in the Industries Development Committee. I point out for the information of new members that the Opposition of the day accepted the amendments of the then Treasurer and that the Industries Development Committee was appointed a special committee for the purpose I have outlined.

Mr. Clark: It did a very good job, too.

Mr. HUGHES: Of course it did. I and all honourable members thought it did. Despite the fact that the committee's report was excellent, the Treasurer was not prepared to accept one of its best recommendations, which was in relation to setting up a Premier's Department.

This particular recommendation was discussed and quoted in this House by members opposite in support of their attempts to have a ninth Minister elected. Now, in their vicious political campaign, they are condemning the very thing they advocated. I want it to be noted that no mention was made in the committee's recommendation of an additional Minister to take charge of this department. To substantiate my claim and to have no misunderstanding about the report, which incidentally was a unanimous report signed by all members of the committee (including the member for Mitcham), I shall now quote from page 18:

The committee has noted that in both New South Wales and Victoria there are branches of the Premier's Department charged with responsibilities such as those mentioned above. Similar departments or sub-departments exist in Queensland (Department of Labor and Industries), Western Australia (Department of Industrial Development) and Tasmania (Premier's and Chief Secretary's Department). The committee is not able to judge whether the existence of these sections has achieved any marked and permanent decentralization and it is noted that they have other functions relating to development of industry generally. They do serve the purpose, which appears to be lacking in South Australia, of co-ordinating the efforts of local authorities and committees, of providing information to them and to industries, of providing rationalized publicity and of actively seeking industries generally or for specific locations. The committee believes that a similar organization should be set up in South Australia. It believes that such actions would be welcomed by industrialists and by local authorities and committees, that it would receive cordial support from similar organizations in other States, and that it would provide an extremely useful information and advisory bureau for the Government.

At page 48 of the report was this very definite recommendation:

As set out in the body of this report the committee believes it to be desirable that industrialists have some definite point of contact with the Government which can give information on the various aspects of the State's industrial and economic forces and give advice and assistance on the various technical aspects of choosing and operating from a particular location. This can best be achieved by setting up a special department or branch of a department to promote country industrial expansions and, in association with local committees, publicize the natural advantages which certain locations may possess. Such a department could provide a most valuable service to industry generally and to decentralized industry in particular. The committee does not propose to set out in this report its views on the scope of the functions of such a department, but it believes that the head of the department should have direct access to the Premier and that it should be staffed by per-

sonnel—administrative, technical, public relations and accounting—to give a service to industry and to publicize the advantages of South Australian locations in general and, where applicable, of country locations in particular.

What more do Opposition members want, because this personnel is attached to the Premier's Department? The report continues:

Many suggestions made at country hearings appear well worthy of further investigation and a department such as is envisaged here might well be charged with further investigation.

Despite the fact that a recommendation was made by the committee to have a Premier's Department established, the recommendation was completely ignored. The report was tabled on February 18, 1964. The previous Government had 12 months in which to put the recommendation of the committee into operation, but it did not do so, and yet Opposition members try to tell the House that they are vitally concerned with expansion of industry in this State.

In a debate on a ninth Minister, on the day after the report was tabled, the former Premier tried unsuccessfully to misconstrue the report to the House. He was frustrated on that occasion because the member for Stuart (Hon. L. G. Riches), who was at that time a member of the Industries Development Committee, put the record straight by way of interjection. At page 2015 of 1963-64 *Hansard*, the former Premier is reported as having said:

The member for Albert referred to the report submitted to Parliament yesterday by the Industries Development Committee.

I draw the attention of honourable members to the fact that on that occasion the member for Albert had read out the sections of the committee's report that I have read to the House today.

Mr. Rodda: Is this a case of great minds thinking alike?

Mr. HUGHES: It appears to be, because at that time the member for Albert referred to the report of the committee to support his case for a Premier's Department to be established in South Australia, which was never brought about by the previous Government. The former Premier continued:

Actually, I have not seen that report, which was the result of work done by the committee over a lengthy period. I believe there were one or two matters on which some members of the committee expressed reservations, but on the matters raised by the member for Albert the committee was unanimous.

The member for Stuart then interjected; "There was no reference to an additional Minister", to which the former Premier replied, "It referred to the Premier". In one breath the former Premier said that he had not seen the report and then he tried to say what was in it. The member for Stuart then interjected, "A Premier's Department." The former Premier did not pursue his argument further. He knew that the member for Stuart, who was a member of the Industries Development Committee, knew what was in the report, which he had signed. Therefore, the honourable member was able to frustrate the former Premier who had tried to misconstrue the report tabled in the House the previous day.

It can be seen from those remarks that the then Premier wanted it to be thought that the report referred to the Premier, though later in his remarks he did admit that it referred to the Premier's Department. Members opposite had talked about setting up a Premier's Department before they were returned as a Government in 1962, but they failed to do this. This is supported by the former Premier's reply to a question of the member for Murray (Hon. G. A. Bywaters). At page 147 of 1963-64 *Hansard* the following question of the Hon. G. A. Bywaters is reported:

The Premier will remember that during his policy speech prior to the last State elections, and also in the Governor's Speech of last year, reference was made to setting up a special department within the Premier's Department to assist industries, particularly country industries. Last year I asked him, on two occasions, when this legislation would be introduced. The Premier's first answer was that he thought it would be introduced last year; the second time he said he thought it would be introduced this session. Does the Government intend to bring down legislation this year to set up this department, which was promised by the Premier in his policy speech last year, and which was also mentioned in the Governor's Speech last year?

Mr. Rodda: Now that we have a Premier's Department, what are we getting?

Mr. HUGHES: Even though the honourable member was perhaps not in the House at that time, I want to prove to him that the Party he represents today was not sincere in its approach to the Premier's Department.

Mr. Millhouse: Oh!

Mr. HUGHES: I shall have something to say about the member for Mitcham soon. I will prove that the previous Government was insincere in its attitude towards a Premier's Department.

Mr. Quirke: You have spent the last half hour telling us you are going to prove it.

Mr. HUGHES: I am proving it step by step, much to the consternation of honourable members opposite. They do not like listening to what they had to say in the past about a Premier's Department. They were insincere in their approach to this matter.

Mr. Quirke: Wait until I get a crack at you.

Mr. HUGHES: The honourable member can have all the cracks he likes. I am proving something to the House this afternoon.

Mr. Quirke: Everything you've said today is a build-up to a tissue of lies.

Mr. HUGHES: Is the honourable member accusing *Hansard* of not reporting truthfully?

Mr. Quirke: It is you I am accusing—nobody else.

The DEPUTY SPEAKER: Order! I ask the member for Burra to maintain order.

Mr. Quirke: I don't accuse *Hansard*—I accuse the member for Wallaroo.

Mr. HUGHES: I have been quoting *Hansard*, and it would appear from the member for Burra's interjection that he is beginning to doubt *Hansard* reporters in their note-taking.

Mr. Quirke: There is nobody so mean as he who crawls behind the backs of other people, and you've done it right through the day.

Mr. HUGHES: I like that! The Opposition started to blame one section, but when they could not prove by interjection that they were wrong, they dragged in another section. They will have the whole Public Service in it soon.

Mr. Quirke: You're hiding behind the Public Service, now. You have not given us one example that you said you would.

Mr. HUGHES: I have given the honourable member plenty of examples, contained in *Hansard*, of my argument that the Opposition was insincere.

Mr. Quirke: I want an example.

The DEPUTY SPEAKER: Order! Order!

Mr. HUGHES: In answer to the question by Mr. Bywaters, Sir Thomas Playford said:

The Parliamentary Draftsman has been working on this legislation and has completed a draft for submission to Cabinet. I should think it would be one of the early matters submitted to Parliament this year.

Apparently, the creation of a Premier's Department had been discussed in the Party room of the Liberal and Country League.

Mr. Ryan: They never met!

Mr. HUGHES: I do not detract from the previous Treasurer's ability to wield a stick

over other members. I do not know why he was selected to sit alongside the member who attacked him while he was away.

The DEPUTY SPEAKER: There are too many members addressing the chair.

Mr. Quirke: I don't think anyone is.

The DEPUTY SPEAKER: The honourable member entitled to address the Chair is the member for Wallaroo.

Mr. HUGHES: When the member for Mitcham made his speech on the Address in Reply on Tuesday following the day on which Mr. Bywaters asked his question, he said:

When the member for Burra was appointed Minister of Lands, there appeared on page 1 of the *Advertiser* of January 9—alongside his photograph with the Premier—an article stating that the question of whether the new Premier's Department would involve the appointment of an additional Minister would be discussed at a meeting of the Parliamentary Liberal and Country Party before the Parliamentary session began . . . I was disappointed that the Governor's Speech contained no reference to the creation of the new Premier's Department or about increasing the size of Cabinet. The member for Murray (Mr. Bywaters) to some extent put this right, by asking a question. However, I think it would have been better done had it been divulged in the Governor's Speech.

The honourable member was most anxious because, apparently, it had been discussed in the Party room. He considered that it was to come to fruition and something would appear in the Governor's Speech referring to the creation of a Premier's Department.

Mr. Millhouse: You have a pretty flimsy premise for what you are saying!

Mr. HUGHES: A pretty what? Despite what the honourable member had to say in the Address in Reply debate, I do not need to dwell on it.

Mr. Millhouse: Why not quote it all?

Mr. HUGHES: I am sure the honourable member does not want me to remind the House of what the member said then, which, I think, was not justified. I shall return to my argument.

Mr. Millhouse: It is about time you did.

Mr. HUGHES: Apparently, the honourable member is anxious for me to get back to my argument because he does not want me to speak about the attack he made on Sir Thomas Playford during his absence in Canberra. They are sitting alongside each other now, and if Sir Thomas Playford stamps his foot on the honourable member's, he will be there for all time. The previous Government never intended to create a Premier's Department. I think the pretence was to fool the Opposition

into electing another Minister: why not state the true facts, at that time, that Ministers were overworked (as was the case when the Labor Government took office; the Premier has since acknowledged a mistake had been made), and not link it up with the Premier's Department?

Mr. Millhouse: That was not the view of your Party at that time.

Mr. HUGHES: A great play had been made about having an additional Minister to have the oversight of a Premier's Department, yet when the amendment to the Constitution Act was before the House last year to provide for the appointment of an additional Minister, this Government was quickly told that unless it agreed to an Opposition amendment to have the additional Minister become Minister of Lands or Minister of Agriculture, the Opposition would not support the Bill. This ultimatum delivered on October 14 last, is in *Hansard*, which states:

When the Premier announced his new portfolios I said then (and I say it again now) that it was not reasonable to expect any Minister to carry out the functions of agriculture and lands under the one portfolio. The volume of work in the Lands Department (and I associate with that irrigation and other branches of this type of work) has grown considerably. I speak with experience, as I was employed in the Lands Department for one year. The work of this department represents a full-time job for any Minister if he is to do the job properly and provide for the development that I believe is necessary in the interests of the State as a whole. Similarly the work of the department of the Minister of Agriculture, with which I associate forests and other branches of primary production, is a full-time job, and no Minister could be expected to undertake, part-time, the work of this portfolio, particularly when it is associated with the Lands portfolio.

These two departments are of tremendous importance to the welfare of the State. We rely on these departments for the export production and earnings that make it possible for us to enjoy the standard of living we enjoy. The Labor Party has a good record in some matters but it has a bad record in this regard. The usual practice of the Labor Party in the past has been to lump the portfolios of Lands and Agriculture together. That has been a feature of Labor Administration in this State over the years except for one brief occasion when, as a temporary measure, the Lands and the Agriculture portfolios were held by two Ministers. It is entirely wrong for these two departments to be administered by one Minister because they are not minor departments. Although I give all credit to the importance of the Education and other departments none of them can tick successfully unless the State has modern practices developed on its farms and unless it

has successful occupation of its large areas of Crown lands. I make it clear to the Premier and to honourable members opposite that my support of this Bill has the reservation that an amendment shall be accepted to make it clear for all time that the Agriculture Department shall be under the control of one Minister and the Lands Department under the control of another Minister. I believe it is essential that this should not be left to future exigencies, and therefore my acceptance of this Bill is conditional on the acceptance of an amendment to provide for that. I believe this is something that we should insist upon.

I realize that our secondary industries are of growing importance, but I consider that there should be at least two Ministers with a voice in the Government on behalf of rural activities and functions. I regret that it is necessary to outline this amendment. However, I repeat that the present position is not something that has been forced upon the Government or the Premier; it is something that has happened before. If, as the Premier has stated in his second reading explanation, it is desirable to separate the control of these two departments, the amendment will not cause him any problem. However, when the amendment comes up for discussion we will discover whether the separation is intended to be only temporary. Subject to the amendment, I support the second reading, and I will support the third reading if these two portfolios are so separated.

The member for Torrens, who moved the motion now before the House, had this to say also on that occasion. I read from page 2178 of *Hansard* of October 14, 1965:

I have pleasure in supporting the amendment spoken to by the Leader. I agree entirely with the principle of this Bill, and I say this for three reasons: first, I believe the present Minister of Agriculture and Lands is grossly over-worked, and that this may have some effect on his health and efficiency; secondly, I believe that these two portfolios require separate Ministers, and I trust that this is in the mind of the Government; and, thirdly, I have consistently supported in this House an increase in the size of the Ministry to nine. In fact, I did this as recently as February 18 last year.

He went on to say, at page 2179:

I support the principle of the Bill, but will vote for the Leader's amendment. The duties for which Ministers are responsible have increased enormously and warrant an extra Minister, as the last increase in the number of Ministers occurred some years ago. The main purpose of the Leader's amendment is to ensure that in the allocation of duties to the ninth Minister there will be two separate Ministers administering the rural portfolios of Lands and Agriculture. On February 18, 1964, the member for Hindmarsh (now a senior member of Cabinet) said:

We have been told that a new Minister is needed, but the duties that he will perform have not been outlined although many

suggestions have been made about what he will do.

Surely the same position exists today. No indication has been given as to which portfolio will be allocated to the ninth Minister. We hope and trust that the Government will appoint a Minister to control one of the rural portfolios, and so relieve the present Minister of some onerous duties he is performing.

Those are the statements made by the member for Torrens on that occasion. It can be seen from what I have quoted that the Opposition last October was not worried about the work performed by the Premier's Department in its approach to industrialization. The Opposition at that time was determined to have the duties of the additional Minister laid down hard and fast. I should like honourable members to notice that no mention was made in the debate of the new Minister taking over control of the Premier's Department as was done when members opposite were in Government, which goes to show they were not only inconsistent in their approach to this matter but were previously insincere in linking up an additional Minister with the Premier's Department.

Mr. Clark: We got a good Minister out of it.

Mr. HUGHES: I'll say he's a good Minister; one of the best. In the short period of time that this Government has been in office the people living in industrial and rural areas have become firmly convinced that the Labor Government is looking after all sections of the people, not only one section, as was the policy of the previous Government. The advent of Labor administration should, and did, commence a period of legislation for all the people in place of sectional legislation, and that is why we have this motion before the House today. The Opposition is worried. It is continuing to lose ground politically, so what does it do? It tries to stir up trouble among the people who rely on secondary industry for their livelihood, and it does it at the expense of senior public servants.

At this juncture, I wish to support the Premier's remarks opposing the original motion before the House. I have listened attentively to the comments made in support of this motion and consider that these appear to be a continuation of an attempt by people to create an atmosphere of gloom in this State and bring about the very things that they profess to be worried over. I should like to point out even further inaccuracies in the motion. A fortnight ago, the honourable member who moved the motion mentioned the recent supplement in *The*

Australian and referred to a particular article in that supplement. He said, "A feature was a half-page advertisement with a map of South Australia and a list of the many industries that had come to South Australia in 1965." This was not an advertisement inserted by the Government of South Australia.

Mr. Clark: It is a non-political paper.

Mr. HUGHES: Of course it is, and that is why it was doing this State a good turn, I thought, because it did not want to play politics; it merely wanted to set out the existing position.

Mr. McAnaney: Did you agree with what it said about Australia in 1966?

Mr. HUGHES: I did not concern myself about that. I do not know what the honourable member is referring to but I know that this article that was claimed to be an advertisement by the Labor Party was not an advertisement, and it was not solicited by the Government of this State.

Mr. Clark: But this article did not suit the Opposition.

Mr. HUGHES: Of course it didn't; we are well aware of that. That is why the honourable member tried to make the House believe on that occasion that it was an advertisement on behalf of the Labor Party.

Mr. Clark: It was the true position.

Mr. HUGHES: It was the true position as the reporter saw it on that occasion. However, because it does not conform to a preconceived idea it is said to be an advertisement by the Government. The firms mentioned in this article have established or continued to expand because of their faith in the future of South Australia. They realize that South Australia is continuing to progress.

The continued expansion depicted in this article, in itself, refutes many of the allegations made in the motion. The mover of the motion says that statements about commercial and industrial interests having confidence in the prosperity of the State appear more than three times in the *Australian* supplement. Is he dismayed that such confidence exists? Would he prefer that it did not? Should the findings and the statements of a journalist be queried, because he approached a problem with an unbiased mind to give his own impressions of the country?

I submit that the supplement in the *Australian* is most encouraging and is, in itself, a vindication of the work of the Premier's Department. There is also another feature that we need to understand, that is, the rapid rise in the number of migrants coming to

South Australia. In 1963 a total of 13,112 migrants came to the State; in 1964 the total rose to 19,985, and in 1965 the figure had risen to 22,567. This represents approximately 15 per cent of the Australian migrant intake for one year, for a State with only 9 per cent of the nation's population. To absorb this high intake a higher than average growth in the civilian work force is necessary. By examining the figures published by the Commonwealth Bureau of Census and Statistics on July 19 this year, we find that from the end of February, 1965, until the end of May this year the number of wage and salary earners in civilian employment rose 3.6 per cent in South Australia compared to 3.4 per cent in New South Wales and 2.5 per cent in Victoria. The Premier's Department in this State is assisting in increasing the employment opportunities in South Australia, and these figures indicate that we are achieving a high rate of increase which is necessary for us to continue to absorb our above-average per capita migrant intake.

The honourable member also went to great pains to quote what was happening in other Australian States. He instanced the Premier of Victoria (Sir Henry Bolte), and said:

The Premier of Victoria, Sir Henry Bolte, says his State is going on and on and on . . . developing faster than any other State, both industrially and agriculturally. The steady expansion of industrial production, both primary and secondary, had given Victoria virtually full employment. Victorians have every reason to be optimistic about the future.

However, we find the following vastly different statement by the Victorian Chamber of Manufactures, as reported in the *Financial Review* on Friday, July 29:

All branches of industry in Victoria experienced little real growth in the past 12 months and no worthwhile expansion is expected for the rest of the year. The Victorian Chamber of Manufactures draws this conclusion from the results of its recent survey of 83 branches of industry adding to pressures for an expansive budget. These findings contrast sharply with the generally optimistic Treasury survey issued last month.

The honourable member went on to say that Victoria was getting on with the job, that Victoria was expanding, and that in that State things were booming. Apparently the honourable member had not troubled to check on that statement, because, exactly nine days after he made this claim about Victoria, another statement appeared in the same press. I think the second statement would be more reliable than that which the honourable member quoted; or it would never have appeared

in this particular press. Last Friday's *Advertiser* contained the following article (dated July 28 at Melbourne) under the heading, "Talks on Victorian Funds Crisis":

Victoria's financial crisis will be the subject of special talks soon between the Prime Minister (Mr. Holt) and the Premier (Sir Henry Bolte). The Acting Premier (Mr. Rylah) revealed today that he had already had talks this week with Mr. Holt and the Federal Treasurer (Mr. McMahon). "I made them fully aware of the problems facing Victoria as far as the inevitable increases in fares and other charges were concerned and the Budget problems," Mr. Rylah said. He had stressed, he said, that it was undesirable to increase State taxation when it appeared the economy generally needed stimulation.

"Mr. Holt said he was prepared to discuss Victoria's problems with Sir Henry Bolte when he returns from overseas on Monday week," he said. (On Monday, Cabinet approved a 15 per cent rise in train and tram fares and a 5 per cent lift in gas charges. Further increases in Government charges are likely in the State Budget in September and hospital fees seem certain to be increased soon.) Earlier this week Mr. Rylah said Victoria could go bankrupt unless it received more help from the Commonwealth. He said today the long-term financial position appeared grim unless some answer could be found from the consultations between Victoria, New South Wales and the Commonwealth. "All the forecasts so far have still not taken into account the margins determination which can only highlight the problem as far as the States are concerned," he said.

Who is fooling whom? The honourable member endeavoured to boost the claims of Victoria by stating that Victoria was going "on and on and on . . . developing faster than any other State, both industrially and agriculturally; the steady expansion of industrial production, both primary and secondary, had given Victoria virtually full employment". Those words were used by the honourable member, and yet the following week we read that the Acting Premier of Victoria had stated that Victoria could become bankrupt unless it received more help from the Commonwealth. What a different state of affairs from what the honourable member had placed before this House a fortnight ago in support of his claim that the Premier's Department was really ineffective! His line of argument was as weak as dishwater. He cited a State that was on the verge of becoming bankrupt as an example for this State to follow. In his haste to write down public servants, the honourable member had not done his homework very well. He tried to boost the claims of Victoria at the expense of his own State, the State that provides him and his family with bread and

butter. The honourable member's statement was bad enough, but the matter did not stop there. The member for Burnside, who followed the mover, had this to say at page 590 of *Hansard*:

The member for Torrens is doing a great service to the public in moving this motion so that the matter can be debated, because hundreds of people in the community are most perturbed and disquieted at the fact that we are falling behind and that industries that would have come to South Australia in the good old days are now being won by Western Australia and the Eastern States.

Mrs. Steele: What is wrong with that?

Mr. HUGHES: Was the honourable member absent when I cited statements by the Acting Premier of Victoria that that State was becoming bankrupt? I do not think she intended to be here. I do not wish to say any more about her speech. However, how some people will rush in where angels fear to tread is beyond my comprehension. I am at a loss to understand how the honourable member can reconcile her broad statements.

The member for Stirling (Mr. McAnaney) had much to say in the debate and he has been trying to speak again while I have been addressing the House. That honourable member, in supporting the motion, said that the drought had had little to do with the rise in unemployment in South Australia and implied that our agricultural implement industry was centred in Mannum. I ask the honourable member whether I am right in saying that.

Mr. McAnaney: Not entirely.

Mr. HUGHES: I did not think I would be! The honourable member then went on to say that he had seen little unemployment in the country and that most of the increase had occurred in the metropolitan area. For the benefit of the honourable member I point out that the largest agricultural implement manufacturers are located in the metropolitan area and that these firms have been severely hit by the recent drought.

Mr. Rodda: By land tax!

Mr. HUGHES: I would have given the honourable member credit for making a better interjection than that. I now desire to quote again from the review of the employment situation as at the end of June, issued by the Commonwealth Department of Labour and National Service. In dealing with features of the employment trend in South Australia, the review states that in the factories covered by the department's employment survey there was seasonally reduced employment in fruit canning,

reduced employment in motor accessories, increased employment in motor vehicles, and agricultural implements, and chemical fertilizers.

From this it can be seen that, despite what the member for Stirling has said, the drought has directly affected employment in South Australia. In addition, as pointed out by the Premier, the drought has been Australia-wide and it is not only the subsequent loss of buying power in South Australia that has affected this State's domestic appliance and other industries, but similar falls, some of greater magnitude, in the buying power of persons located in the Eastern States. The motor car and agricultural implement industries have been affected, and we should all realize that South Australians are not an isolated community. Our major firms sell to a national market.

Mr. McKee: Members opposite would not know that.

Mr. McAnaney: That is in the past. Come to the present.

Mr. HUGHES: The three honourable members to whom I have referred have, without being aware of it, built up an excellent case in support of the efficient work of the Premier's Department. I, along with many others, know that that efficiency has been to the advantage of the State. Because of that, I move the following amendment to the motion:

To strike out all words after "State" first occurring and insert "and promoting the expansion of existing industry is worthy of approbation."

The Hon. G. G. Pearson: The public will come down on you!

Mr. HUGHES: If my amendment is carried, the motion will read:

That in the opinion of this House the work of the Premier's Department in attracting new industries to this State and promoting the expansion of existing industry is worthy of approbation.

Mr. Nankivell: It was.

Mr. HUGHES: I am pleased to hear the member for Albert (Mr. Nankivell) saying that it was. That is the first intimation from members opposite that the Premier's Department has done a good job. The honourable member is honest in his approach. I shall be curious to know how he votes, because he has intimated by way of interjection that he supports my amendment.

Mr. Nankivell: You are putting words into my mouth.

Mr. HUGHES: One could not infer anything else. He is going to support my amendment.

Mr. Nankivell: No!

Mr. HUGHES: I maintain that the honourable member is honest. He has said that the Premier's Department has done a good job, so it is up to him to give it credit for that. If he does not vote for my amendment he will have gone down in my estimation and in the estimation not only of members of the Government Party but of other members of the Opposition, because I do not think they like people to do that.

Mr. McKee: No good Australian likes to be ratted on.

Mr. HUGHES: I agree, but I do not put the member for Albert in that category. I can go on refuting many of the remarks comparing South Australia with other States, but this is not necessary: I shall be more positive in my approach.

The member for Torrens has said that the Industries Assistance Branch should be absorbed in the Premier's Department. As the Premier has pointed out, this is a much belated suggestion, considering that the Industries Assistance Branch has been in the Premier's Department since the inception of that department last year. The honourable member also said that nothing had been done about decentralization. The plain facts of the matter are that the Industries Assistance Branch, since coming under the Premier's Department, has intensified its activities in country areas. This intensification has increased to a stage where now about 70 per cent of its activities are in country areas compared with about 40 per cent under the previous Government. In addition, much detailed work is being carried out in country-metropolitan comparisons that will prove invaluable in future decentralization activities. I suggest, therefore, that members should make themselves fully aware of these activities. There is no doubt from the reception given to the branch's officers in all country towns that this section of the work in the Premier's Department is filling a definite need in country communities.

I therefore strongly oppose this motion. I believe that the mover and supporters of this motion by their own evidence have shown that they did not even know the composition of the Premier's Department, let alone any of its activities. Their comments have been based on erroneous material and information so that one gets the impression that the truth is not required but that there is merely a desire to discredit the Government without due regard for facts. I ask the House to vote against the original motion and support my amendment.

The Hon. G. G. PEARSON (Flinders): I was pleased to hear the member for Wallaroo in such good form. When I went away he was not very well, and I am pleased that he is in such robust health that I could hear him not only while I was in the Chamber but while I was in the refreshment room having a cup of tea. I do not know just what he was trying to do this afternoon—whether he was trying to get some industries for Wallaroo or not to get them. I think his remarks will be interpreted in his district as being in favour of not getting industries there, as he has said nothing this afternoon to suggest to me that he thinks that anything more than is being done should be done to attract industries to this State. The whole tenor of his remarks was that he was perfectly satisfied. In fact, he has moved to amend the motion in a way which not only expresses his satisfaction with what has been and is being done but which goes further and expresses his commendation. This attitude of the honourable member is most astonishing.

I have been in this House for several years (a little longer than he) and every year without fail when the present Opposition was in Government the member for Wallaroo rose in his place and sang a rather dismal song about the position at Wallaroo. He said that it had been a very prosperous industrial town (as it had been), that there had been several industries gathered around the mining and smelting works, and that it had had a superphosphate industry, an agricultural implement industry and many ancillary industries that made it attractive from the employment point of view.

Mr. Shannon: It even had a foundry!

The Hon. G. G. PEARSON: That is so. Over the years it has gradually lost its industries, and the setback started with the cessation of mining about 30 years ago. In each speech the honourable member said the Government should do something about decentralization, particularly in relation to Wallaroo. Today there has been a remarkable change of tune. From a minor key he has gone to a major key, and we have had a real symphony of praise for the Government. I ask leave to continue my remarks.

Leave granted; debate adjourned.

ROAD TRAFFIC ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from July 27. Page 721.)

The Hon. J. D. CORCORAN (Minister of Lands): The House will recall that this matter was adjourned last week because the Govern-

ment intended to introduce a Bill to amend the Road Traffic Act that would have catered not only for the provision in respect of which the member for Mitcham has introduced this Bill but for other matters relating to the principal Act. However, the Minister responsible for the legislation indicated that, because of difficulties in drafting an amending Bill, it would not be possible to introduce it today, as had been expected. For this reason and for the reason referred to by the honourable member in his second reading explanation, it was considered desirable to insert this provision (which was overlooked when an appropriate Bill was dealt with by the House last year) into the Act as soon as possible. Therefore, I support the Bill.

Bill read a second time and taken through its remaining stages.

NURSES REGISTRATION ACT AMENDMENT BILL.

Received from the Legislative Council and read a first time.

LAND TAX ACT AMENDMENT BILL.

In Committee.

(Continued from August 2. Page 789.)

Clause 4 as amended passed.

Clause 5—"Taxable value."

Mr. HALL (Leader of the Opposition): I move:

In paragraph (a) to strike out "\$5,000" and insert "\$7,250"; and in paragraph (b) to strike out "\$12,500" and insert "\$18,125".

The Treasurer has referred to a 45 per cent increase in land tax on properties, including agricultural land. If the partial exemption granted to agricultural lands in section 11 of the principal Act is to be maintained at the same level, it will have to be increased by that 45 per cent. Of course, if one supported the exemption as it previously existed, one would have to support this amendment; those opposing the amendment would show that they apparently had not supported the partial exemption provided in the Act. As it is a fixed charge this tax will fall most heavily on the smaller property owners who receive a low net income.

The Hon. FRANK WALSH (Premier and Treasurer): In this as well as in debates on previous measures this session, Opposition members have tried to relate the effect of the legislation to the employment position in this

State. Members of the Opposition are constantly trying to reduce further the opportunities of the Government to provide reasonable prospects for people to continue in employment.

Mr. McKee: They are trying to make it worse.

The Hon. FRANK WALSH: I shall introduce the Loan Estimates tomorrow week, but they will not be as healthy as I should like them to be. Two weeks after that I shall introduce the Budget, and that is not as healthy as I should like it to be. At present, unemployment is the peg being used by the Opposition on which to hang its arguments against Government legislation.

Mr. McKee: It is their objective to make the position worse.

The Hon. G. G. Pearson: You're riding the tiger.

The Hon. FRANK WALSH: I assure members that the Government cannot afford to accept the amendment. Its effect would be to give statutory exemptions in respect of rural land, which are 45 per cent higher than those which are presently provided and which the Government had intended to continue. In this Bill the rural producer, by a reduction of rates, is receiving the same benefit as are other landowners within the lower range of valuations. The proposed rate is 64 per cent of the former rate. If, in addition, the statutory exemption is increased by 45 per cent, as proposed by the amendment, the rural land will be placed in a more preferential position than formerly. The loss of prospective revenue likely to arise from the amendment would be \$45,000 to \$50,000 yearly.

This Government has to obtain revenue to continue in the interests of the State. Are rural landowners entitled to greater privileges than people living in the metropolitan area? They have received some concessions, but why do they want more? If further privileges are granted to them a further barrier will be created between people living in the country and those living in the metropolitan area.

I do not intend to give preferential treatment to any person in this matter. Should the wage earner, whether in the city or the country, be able to reduce the taxation he pays? He has no way of increasing his salary in the same way as can a primary producer. He cannot plough back profit into his property or business, but this can be done by the primary producer as he has land and equipment. I have to consider the person on the fixed salary.

It is not practicable to accept this amendment. The rates proposed by the Government were described as reasonable in a public statement by both the President of the Chamber of Commerce (Mr. B. R. Macklin) and the President of the Retail Traders Association (Mr. C. L. Hargrave). These gentlemen realistically acknowledged that the increased cost of Government made the proposed land tax inevitable, and that it was a reasonable compromise. The Leader's amendment is entirely out of step with these views. I accepted a delegation representing many organizations that told me what it thought the Government would require for land tax. I did not forecast what this would be, but the indication was accurate.

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

The Hon. FRANK WALSH: There is no need for me to repeat what I have already said about the Government's attitude to this matter. We are not prepared to accept this amendment.

Mr. HALL: The Treasurer is being very unsubtle in this matter. He sees the cure for our present financial ailments and recession as lying only in increased Government taxation. If this argument is taken to its logical conclusion, taxation will increase until the Treasurer will have to take over most of the State by way of capital charges, because we know there is no substitute in any community for confidence in production and commercial activity. It has been pointed out to the Treasurer many times that, prior to his occupancy of the Treasury benches, South Australia enjoyed a favourable cost relationship with the other States. This is now being destroyed, whether it be by deliberate action or whether it be because the Treasurer and his Ministers see no alternative. Whatever the reason, this is occurring and we are now fixing land tax at a higher rate than in any other State of Australia. It will be higher than the land tax in the Eastern States, which are far wealthier than we are and more highly developed industrially.

We hear that we must increase taxation to improve prospects of employment and development—and this in the face of the previous Government's attitude that just the opposite was necessary for the development of South Australia. It is all very well for the Treasurer to say that we are demanding increased expenditure and that this is the only way of meeting it. No increase in productivity or in matters in respect of which the community can be confident is envisaged, but we are faced

with an increase in imposts and capital charges, and, in this particular instance, an increase that will apply to small farming units. It is all very well for the Treasurer to talk lightly of profit in relation to wages in the metropolitan area, but he knows that wages in the metropolitan area are adjusted from time to time and that the producers on the properties I am referring to cannot lower their charges or increase the prices for their products. Where is the logic in the Treasurer's comparison? The comparison he uses of incomes from small properties compared with wages of industrial employees, which are subject to automatic adjustments, works the opposite way.

The only answer is to raise taxation by altering the valuation, as has automatically been done in the previous assessment, and to let the exemptions stand at the old rate. There is no justification for our turning our backs on this principle that has been established in this legislation and has been supported by the Labor Party in past years. Why is that Party now turning its back on the principle of proper concessions to primary industries in the smaller income field? We have not been given a reason, except that the Government is short of money. The fact is that it is the Government's own fault. It is not coming to this Parliament and saying, "Because we are short of money and cannot manage our affairs properly, we have to take this course of action." The amendment should not be rejected. I hope the Committee will reconsider its attitude and that members opposite who represent areas in which small properties are situated will have the courage to vote as they should.

Mr. McANANEY: I challenge the Treasurer's statement that the State needs this money to maintain employment. If we take that money away from people, they cannot spend it, and that applies especially to the small farmer who is up to his neck in debt and every cent he has is spent. For the Treasurer to say that we are increasing employment by taking money away from this group of people and giving it to the State to spend is utter bunkum. Such a statement should not be made by a responsible member of Parliament. The section of the community to which I am referring does not receive the basic wage. These people like the life, and that is the reason for their staying there; but that is no reason why they should be penalized. They should at least have the exemptions to which they were entitled previously. I support the amendment.

The Hon. D. N. BROOKMAN: I support this amendment. We are shown a greatly increased assessment and are told that the Commonwealth Government should make more money available; but the figures do not justify that claim. Yesterday, in answer to questions on notice, it was made clear that the taxation reimbursements for South Australia were the highest for States other than claimant States, and the Loan allocations far exceeded our entitlement on a per capita basis. We received 13.71 per cent of Loan allocation, while our population is only about 10 per cent of the whole country. I do not know what justification there is for the Government's proposed course of action here. We on this side have always felt that capital taxes should be imposed an inoffensively as possible. The Treasurer has said the State needs money, although we are not given the full explanation. I understood Labor's policy on land tax was quite different from that, for in 1952 the then Leader of the Opposition (Mr. O'Halloran) said:

Labor believes in progressive land tax for the purpose of breaking up large rural estates—the larger the estate, the higher the rate of tax. It was not intended to be a revenue-producing tax. The Federal land tax was instituted by a Labor Government with the intention of bringing about subdivision which most State Governments were not prepared to achieve by legislation. This tax would have gone a long way towards achieving its purpose if certain sharp practices had not prevented it doing so. To the extent that it has failed to achieve its purpose, Labor would not defend it. Secondly, a progressive land tax can only be justified on the assumption that it has some such purpose.

I ask the Committee to listen closely to the following:

Merely for revenue purposes, any tax on land should be at a flat rate. I think a progressive tax on the land is an unfair method of raising revenue.

We hear reasons completely different from those today. I strongly support the Leader's amendment.

The Hon. Sir THOMAS PLAYFORD: I support the Leader's amendment, for it is a fair and logical amendment that would not cost the Government much loss of revenue, bearing in mind the fact that it has introduced a rate of tax increasing the high rate of last year's tax by over \$2,000,000. The amendment would probably cost the Government about \$50,000 or \$60,000 at a time when we see it entering into commitments that other States cannot afford. Other States are unable to afford the luxuries that this Government is attempting to

impose on the taxpayer. Indeed, it is not Parliament's right to impose a tax which is far in excess of the Australian level and which will have the effect not of increasing employment but of increasing unemployment. The more the Government takes from the taxpayer, the less the taxpayer can spend, which will lead to unemployment. I suppose the majority of those to be affected by the Leader's amendment will be the small dairy farmers who work a seven-day week. When these people were first exempted no suggestion was made by the Labor Party that that exemption should not apply; in fact, the view was expressed that the exemption should be greater.

Now that the Government has become hungry for revenue because it has over-committed itself on all sorts of extravagant promises, the pattern has completely changed. A dairy property in a certain district may be sold at a price above the previous valuation, as a result of which all properties in the district are then subject to revaluation on a comparable sale basis. The exemption no longer applies to a property that cannot produce one gallon of milk more, yet its valuation goes up by 45 per cent over the Commissioner's assessment. A property that was exempted in the Budget last year is no longer exempt, because the Government is hungry for money.

When I was Treasurer, I never tried to over-tax the State, because I know the effect on industry and employment. The Chamber of Manufactures and the Chamber of Commerce do not export in competition with world trade, neither do they earn much of the oversea income of this country. They sell on a protected market and, if the protection becomes insufficient because of increased costs, application is made to the Tariff Board for more protection. They are in a different position from the primary producer who sells in competition with world markets and who must be prepared to meet increased shipping freights and other costs in addition to State and Commonwealth impositions.

I support the amendment moved by the Leader of the Opposition and hope that the Treasurer will give it more realistic consideration. It will cost merely a modest amount and is justified in the present circumstances. I shall be prepared to fight for it to the extent of taking it to the country. I consider it to be vital. This proposal is being brought in before the Budget, not with the Budget, and we do not know what the money will be used for.

The Hon. FRANK WALSH: At no stage in this debate have I mentioned the Chamber of Manufactures.

Mr. McAnaney: The member for Wallaroo did.

The ACTING CHAIRMAN (Mr. Ryan): Order!

The Hon. FRANK WALSH: The member for Wallaroo has not spoken in this debate tonight. I do not know whether the member for Gumeracha is the Leader of the Opposition behind the Leader of the Opposition, nor did I know that a backbencher was going to throw out a challenge on behalf of the Opposition. The member for Gumeracha ought to get his facts straight. Before the dinner adjournment I mentioned the Chamber of Commerce and its President, Mr. B. R. Macklin. I also mentioned the President of the Retail Traders Association, Mr. C. L. Hargrave. There is no point in trying to involve me in something that did not take place. When we introduce a measure that will give employment, the Leader of the Opposition says that we are the greatest Socialists on earth. Let us have another look at this awful position that I am said to have created. In this Bill the rural producer is being given the same benefit as is given within the lower range of valuations. The basic rate proposed is 2c tax for every \$10 of assessment, whereas the old rate is $\frac{1}{4}$ d. for every £1 of valuation: the new rate is 64 per cent of the old rate. No tax was paid previously on a rural property valued at \$5,000. Under this Bill, assuming the valuation has increased by 45 per cent to \$7,250, the tax will be \$7.50, or about 15c a week, which is the same amount of tax as will be paid by a metropolitan householder whose property is valued at \$3,750. The tax on a property valued at \$7,250 would be 15c a week.

A rural producer whose property was valued at \$8,000 paid \$16.53 in land tax last year. If the unimproved value of that property has increased by 45 per cent to \$11,600, the tax payable under the proposals in this Bill will be \$24 a year. What I have put before the Committee shows that a concession is being given in respect of rural property. All that the member for Alexandra (Hon. D. N. Brookman) can place before the Committee is a matter dealing with what is recorded in *Hansard* in a speech by Mr. O'Halloran in 1952.

Mr. Ryan: That shows how far behind the times he is.

The Hon. FRANK WALSH: I do not know whether the late Mr. O'Halloran would have appreciated being quoted by members opposite.

If he were here, he would have had much to say on this matter. The Opposition says that when it was in office it did the reasonable thing by country people, but it will admit that it is time the owners of some of the larger holdings paid more tax. However bad a Treasurer or administrator I may be accused of being, I have always accepted the advice of my Treasury officers, and I have never doubted their integrity.

Mr. HEASLIP: I oppose the clause and support the amendment. The Treasurer has said that land tax must be increased to keep up employment. Why does this State, which once had the lowest percentage of unemployed, now have the highest percentage?

Members interjecting:

Mr. Quirke: The member for Rocky River must have something, because he stirs up members opposite every time he speaks.

The CHAIRMAN: Order! Before honourable members get stirred up, I point out that under Standing Orders interjections are out of order.

Mr. Burdon: In 1951 there were 12,000 unemployed in this State.

The CHAIRMAN: Order!

Mr. HEASLIP: This afternoon the member for Wallaroo explained everything that had gone wrong. I do not think I am really dumb—

Members interjecting:

Mr. HEASLIP: I am not so dumb that I can believe his explanation, and the people are not so dumb that they can believe it. It has been said that unemployment is Australia-wide, but that is not so.

Members interjecting:

The CHAIRMAN: Order!

Mr. HEASLIP: Unemployment in Australia was 1.3 per cent 18 months ago and it has not increased, yet this State, which once had the lowest percentage, now has the highest.

The CHAIRMAN: Order! I think the honourable member for Rocky River is totally out of order. He is concentrating the whole of his remarks on the unemployment position, but that is not the amendment before the Committee.

Mr. HEASLIP: I have not nearly finished yet.

The CHAIRMAN: I think the honourable member had better finish on this aspect. If he can link this aspect with the clause, that will be all right.

Mr. HEASLIP: I am linking my remarks with the clause.

The CHAIRMAN: Order! The member for Stirling pointed out that there was something

in the Treasurer's remarks concerning unemployment that was linked with the clause. If the honourable member does this he will be in order, but he has not done so yet. He has concentrated on the unemployment position and has spoken about the State having the highest and lowest percentage of unemployment.

Mr. HEASLIP: I am asking why the Treasurer has to tax the people to create employment, which is what he said he had to do. Why is there unemployment? Is it because not enough land tax is being charged or is it because the Government is not using to the best advantage the money it has collected? Is it because the Government has misappropriated or used unwisely the money collected that land tax has to be increased? If it is, why should the public, and particularly the rural people (those little people), have to bear the burden? Why should one section of the community be taxed to raise the money?

Mr. McKee: Who are the little people you are talking about?

Mr. HEASLIP: The little dairy farmers—the people who own farms of an acre or so worth only \$5,000 and who will get no concession. These people should get some relief from this iniquitous tax. The Treasurer has asked why the people with houses should not get exemptions, but I point out that many people in Adelaide receive a far greater income than those with \$5,000 properties.

Mr. McKee: Get another adviser; look at the exemptions in the Bill.

Mr. HEASLIP: The exemption is \$5,000 and the Leader has moved an amendment to increase it to \$7,250. Why does the Government pick on small property owners to make up any deficit it may have? The Treasurer said we should get more money from the Commonwealth Government, but that has nothing to do with the Bill. If the Government were in Opposition it would do what we are trying to do—attempt to protect the small property owners. The Government is taking money from people it should represent. Any deficit it has should be made up by the community at large.

Mr. FREEBAIRN: I do not entirely agree with the member for Rocky River when he says that if the present Government were in Opposition it would support the amendment moved by my Leader to raise the exemption from land tax from \$5,000 to \$7,250 in respect of rural lands. In 1960, the Labor Party showed clearly that it was not concerned with small primary producers and it resisted strongly

a move made by the then Government to raise the minimum land tax exemption for primary producers.

Mr. Hughes: That isn't true.

Mr. FREEBAIRN: Farmers in the Wallaroo District will be interested in what the member for Wallaroo has to say about this amendment. The member for Gumeracha said that this amendment would greatly help dairy farmers. As well as helping them, it will greatly assist the small farmers whose properties fringe the Barossa Valley, and I am referring particularly to farmers at Kapunda and Eudunda, who are hard working, ask nothing from the Government, and do not expect to be unfairly taxed. Farmers in Freeling, in the district of the member for Barossa, will not be pleased if the Government refuses to accept the amendment.

Mrs. Byrne: I have not had an objection from any of them.

Mr. FREEBAIRN: I have received many objections from the Barossa District. A couple of weeks ago I attended the opening of a new council chamber at Freeling and several farmers asked what the Labor Party would do about land tax. I told them I could not really say but that I would send them copies of their member's speech on the Bill. I am eagerly waiting to hear what the member for Barossa has to say about the Opposition's attempt to increase the exemption from land tax from \$5,000 to \$7,250 in respect of rural lands. I know the members for Wallaroo and Barossa are keen to speak in this debate because it is important to people who live in their districts and who will not tolerate silent representation in this Chamber. It is one thing to knock on doors but it is another thing to represent one's district adequately and satisfactorily in this Chamber.

Mr. HUGHES: I am pleased to answer the member for Light, which will not be difficult because of his snide way of referring to property owners in my district. I am pleased to represent farmers in my district and they receive good representation, perhaps better representation than do people living in rural areas in the District of Light. The only representations I received regarding the Bill were from people in the Bute area, and no complaint was made about the assessment: all they were concerned about was an increase in the rate. Some of their assessments have been doubled but they were not concerned about that: they were concerned about whether the rate would be

increased by 100 per cent. No person in the rural area I am proud to represent has complained about the rate this Government has proposed.

The Hon. B. H. TEUSNER: In many cases valuations have not been realistic. Only last week a primary producer complained to me. Several properties in his area had become available for purchase but other primary producers considered it not worth more than \$2 to \$4 an acre, as it was practically all limestone. It was sold recently for \$10 to \$14 an acre. This unrealistic figure was paid by a medical practitioner from the metropolitan area. When this land is assessed not only will it but the adjoining properties will be assessed unrealistically. Because the Government has failed to raise exemptions there will be dozens of cases in my district that will not qualify because of the increase in money values and changes in the value of land, whereas under the previous Government's provisions these people would be exempted.

The previous Government realized the necessity to increase exemptions with changes in money and property values, particularly with relation to succession duties. In 1952 a widow was entitled to an exemption of \$5,600 in respect of anything she inherited by the late husband's will. That was increased several years later to \$7,000 and, in 1963, the exemption was again increased to \$9,000. As the precedent was set by the previous Government to meet the situation of changes in money values and changes in property values, there is a strong argument for the increase in the exemptions suggested by the Leader.

Mr. RODDA: The Premier in his second reading explanation said that the increase in land tax was on an average about 20 per cent in the city of Adelaide; about 45 per cent in rural areas, and about 85 per cent in the metropolitan area other than the city proper. The exemption of 45 per cent suggested by the Leader will give real benefit to small dairy farmers who will not relish high capital charges impinging heavily on their production.

Mr. McANANEY: Why is this money needed when the population is increasing at the low rate of only 2 per cent each year, and services to meet the additional requirements are not increasing in proportion to the amount of tax?

Mr. SHANNON: The Government must know that many people, who have not received a notice before, will receive a notice to pay land tax because of the increased assessment. Small landholders should be exempted, in addition to

basic wage earners, as they have to work long hours to get what most people in any form of industry obtain by working a 40-hour week. He has to work seven days a week, not five. Many of these people earn little more than people working a 40-hour week in industry.

Mr. Hughes: What would be the average increase in the case of the smaller holdings?

Mr. SHANNON: Your own Leader gave it as 45 per cent. The position is that people who are now just within the exemption area will move into the taxation area. Many people in the district of the member for Wallaroo who have not so far been paying tax will now have to pay it. I do not deny the Government the right to raise money. It is the incidence of the tax that the Government should look at carefully. It should not try to get extra spending money from the little man. If the exemptions had been stepped up together with the increased assessments, that is what I would have expected to happen—but the Government is not doing that. This is unusual policy.

If the Government is so hard pressed for money that it has to raise it willy nilly from practically everybody in the State, well and good; we shall have to put up with it. I do not know how much money the Government requires or what its programme is. I do not complain that it is introducing this legislation before presenting its Budget because, after all, this is part and parcel of its budgeting. The criticism is that the Government is broadening the gamut from which it will derive taxation, and downward and not upward, which is bad. Members opposite will realize ultimately that they have made a mistake here.

The Committee divided on the amendment:

Ayes (14).—Messrs. Bockelberg, Brookman, Coumbe, Freebairn, Hall (teller), Heaslip, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Quirke, Rodda, and Shannon, Mrs. Steele, and Mr. Teusner.

Noes (16).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hutchens, Langley, Loveday, McKee, Ryan, and Walsh (teller).

Pairs.—Ayes—Messrs. Ferguson, McAnaney, and Millhouse. Noes—Messrs. Bywaters, Hurst, and Jennings.

Majority of 2 for the Noes.

Amendment thus negatived; clause passed.

Clause 6—"Taxes on land and rates."

Mr. HALL: I move:

After "following" first occurring to strike out "subsection" and insert "subsections".

This is a preliminary amendment that would, if accepted, allow the insertion of a new subsection (1a). Mr. Chairman, have I your permission to discuss both amendments together?

The ACTING CHAIRMAN (Mr. Ryan): Yes. I was going to mention this matter. In fact, the Leader cannot very well discuss the first amendment without discussing the second amendment, so I shall permit a discussion of both amendments, but I ask that each amendment be moved separately.

Mr. HALL: The amendments, if carried, would have far greater financial implications than the previous amendment. The second amendment to insert an additional subsection is specifically designed to allow a rebate of one-fifth on all accounts presented to taxpayers. In effect, the total revenue from the proposed rate would be reduced by 20 per cent, which would result in an increase on last year's collection of \$540,000. The figure is arrived at by taking the total of \$7,800,000 and reducing it by 20 per cent, resulting in a total collection of \$1,560,000. The valuation for land tax purposes of a certain industrial site is \$21,150 on which the industry concerned (employing a few dozen people) paid \$30.85 land tax in 1964-65. It paid the same sum last year but, pursuant to this Bill, will now pay \$66.90. Taking another example, the valuation for land tax purposes of a larger South Australian industry is \$125,658 on which in 1964-65 \$727.75 land tax was paid, \$939.31 last year under the new rates, and \$1,707.16 will be paid this year pursuant to the Bill. Those figures illustrate an increase of about 100 per cent on the 1964-65 rate in regard to the smaller undertaking, and an increase of about 140 per cent in regard to the larger one. Such general increases in this State's taxation will destroy the incentive of new industries to establish here. Only one goal can lie ahead of us if we are to rely merely on Government expenditure to correct the community's ills; but a policy of Government ownership of all undertakings, production and distribution is a goal that the Opposition resists with all the power at its disposal.

The Hon. FRANK WALSH: Let me assure the Leader, so that his blood pressure will not rise unduly, that the Government does not have its sights set on taking over industry in any way. However, under no circumstances will the Government accept a reduction in the revenue to be collected under this Bill. Indeed, it is outrageous for the Leader to make such a suggestion.

The Hon. D. A. Dunstan: Utterly irresponsible!

The Hon. FRANK WALSH: Such irresponsibility also applies to the member for Light (Mr. Freebairn) who has been running around the Chamber and through the House and the galleries with galleys that belong in the Chamber for the information of the honourable members and not for public distribution.

Mr. Hall: On which part of the amendment are you now speaking?

The Hon. FRANK WALSH: I am speaking about the conduct of the member for Light during this debate.

Mr. Heaslip: Is it referred to in this clause?

The Hon. FRANK WALSH: What I am saying will be nearer the mark than the member for Rocky River's contribution to this debate. The Leader's amendment would reduce the tax in South Australia in 1966-67 to about \$5.70 a head, compared with an average last year in the five other States of \$6.22, or \$6.90 in the four other States if Queensland is excluded because of its very different circumstances. The amendment would deny the Government the opportunity of raising finance from this measure. I assure the Leader that he can either accept the first amendment as a test or divide the House on two occasions, which he is at liberty to do if he so desires. I assure him that the Government will not accept his amendment.

The Hon. G. G. PEARSON: I, as well as other members, have stressed that the increased taxation in this clause is far too steep to be imposed at one time in any field of taxation. I have also pointed out that this is only one tax to be borne by the community and that, if this Government needs additional money (as it obviously does, because it is heavily in debt), it is not proper to recover by one tax the major portion of what it requires. Since I have spoken in the general debate, the Treasurer has said that the Budget he brings down will not be pleasant to the taxpayer. Therefore, it appears that this is only the first of a series of such measures, and it appears that my remarks have more point than I expected. The taxpayer has not an inexhaustible source from which to pay tax and I think he will show his disapproval in no uncertain terms when he has an opportunity.

Mr. Langley: Do you think so?

The Hon. G. G. PEARSON: I am certain. The Treasurer also told us this afternoon that we were denying the Government sufficient funds to enable it to carry on its works, because

we were attempting to limit proposed collections of land tax. He was telling the Committee in plain terms that he was using Budget money to replace Loan funds that have been robbed from the Loan Account. The Attorney-General need not look so pained. It is no use his trying to suggest that he does not know that every Government must have money in the Treasury from which to pay its accounts. If the housekeeping account is in debit, money has to be obtained from some other account. I have been in Cabinet long enough to understand these things and, if the Attorney-General does not understand them, he ought to consult the Under Treasurer.

In the last year many developmental projects have been slowed down because the Government is short of money. Developmental funds have been diverted to ordinary budgetary expenditure to the detriment of developmental works in this State. If the Government has not financed its Budget deficit from Loan funds, it has got the money from trust funds or some other funds. Are responsible Ministers prepared to tell me I am wrong?

The Treasurer also said that we were preventing the Government from improving the employment position, because we were denying it funds from this source of taxation. However, that does not add up to proper accounting. The Government had more Loan funds last year than we ever had and if it had employed them solely on developmental works, there would have been no slowing down of works this year.

Mr. Hudson: The Government over-spent on them, and you know that.

Mr. Casey: Will you name one developmental work that has slowed down?

The Hon. G. G. PEARSON: The Kimba main. It never even started.

Mr. Casey: How could it have slowed down if it never started? Name another.

The Hon. G. G. PEARSON: The Taillem Bend to Keith main, which I promised a deputa-tion would be completed in 1967.

Mr. Casey: That wasn't started, to my knowledge.

The Hon. G. G. PEARSON: It was promised.

Mr. Casey: It was not a going concern. You said that developmental works had been slowed down.

The ACTING CHAIRMAN (Mr. Ryan): Will the member for Flinders confine his remarks to the clause?

The Hon. G. G. PEARSON: I think I might be permitted the same latitude as the Treasurer was permitted this afternoon in Committee.

The ACTING CHAIRMAN: We are dealing with clause 6.

The Hon. G. G. PEARSON: Yes, but I suggest that in fairness I should be permitted to refer to the matter that the Treasurer himself introduced this afternoon.

The ACTING CHAIRMAN: Not on this clause.

The Hon. G. G. PEARSON: I bow to your ruling, Mr. Acting Chairman. I think the Committee knows what I think about the matter. I happen to know something about Loan funds in this State. However, if I am not allowed to pursue the matter, I shall not. If the member for Frome wanted me to continue, I could furnish chapter and verse on it. The point made by the Treasurer this afternoon was not valid, because revenue from land tax is normally used to pay the State's house-keeping accounts, not for developmental works. The Loan programme is designed for developmental projects.

I am convinced that, unless this is to be just one instalment in a series of heavy impositions in taxation that will be levied in the next month or two, the Treasurer ought to prune his collections from this source and perhaps spread them over some other areas in a more even fashion. It has always been Labor policy to have a shot at the land; the property owner has always been fair game for any Labor Administration not only in this State but in other democratic countries. I have always forecast that if Labor came to power in this State there would be heavy increases in land tax, and unfortunately my forecasts have proved to be only too true. I urge the Treasurer to have another look at this matter. He ought to be able to do better for the taxpayer and, with the reasonable amount proposed in the amendment, to sustain the normal increases in the State spending that take place from year to year. I am probably wasting my time, as the Treasurer has said we will not get anywhere. I thank him for that kind assurance! However, I cannot let this opportunity pass without voicing my protest, for what it is worth—and I know it is not worth much in the circumstances. The taxpayer's pocket is not unlimited and, if this is one of many increases in taxation, I am sure he will react accordingly at the relevant time.

The Hon. D. A. DUNSTAN (Attorney-General): This move by the Leader of the Opposition to take a savage cut at the amount of revenue to be raised from land tax is consistent with the attitude he has adopted since becoming Leader. During this time he

has paraded around the countryside saying that the State is in a disastrous financial position, that it has a disastrous deficit, that the deficit is the result of gross financial mismanagement, and that he is going to assume the Treasury bench and thereafter produce financially proper management and get the finances of the State back on the rails so that there is no longer a deficit of this kind. One would expect in the circumstances that he would do at least one of two things: first, he would advocate specifically what cuts in Government services and expenditure he would make to balance our Budget. We have not heard this from him although this afternoon we heard from the member from Gumeracha some of the things proposed, and I shall repeat them in a moment. We would expect to have heard what cuts were to be made, and who was going to "dip out" on Government services and in what area, or alternatively what increases in Government revenue were to be made to meet it.

Mr. Clark: Do you know why we haven't been told?

The Hon. D. A. DUNSTAN: Yes: because the Leader does not intend to tell people that. The member for Gumeracha made it clear where he thought the cuts should be made: in service pay. According to the honourable member, it was extravagant for the Government to give effect to a specific election promise it made by giving service pay, so apparently that should go. The tramways workers would have to lose it, but if they did I am blessed if I know how we would manage to keep up any sort of recruitment, because when this Government took office the trust was badly understaffed and there were strikes from time to time because of the difficulty of rostering men on their days off. There was not enough staff to carry on.

Mr. Bockelberg: The tramways gave as good a service then as they do now.

The Hon. D. A. DUNSTAN: We are not having strikes by dissatisfied employees as we did under the previous Government, because this Government has given something to tramwaymen to attract recruitment to the tramways so that it can be adequately staffed.

The Hon. G. G. Pearson: Many people unemployed from other industries would probably be glad to work on the tramways.

The Hon. D. A. DUNSTAN: The Tramways Trust always had trouble in recruiting people, simply because of the unattractiveness of the employment. Instead of the Leader's saying that he was going to make cuts here or

increase revenue there, all he could say was, "We must end this deficit, and the way I intend to do it is to cut taxation proposals." However, these very taxation proposals are less in extent than the Government of which he was a follower ever made following a quinquennial assessment. The increase made by the Playford Government each time a quinquennial assessment was made in recent years was far greater than the 37 per cent provided by this Bill.

Mr. McKee: It was 150 per cent on one occasion.

The Hon. D. A. DUNSTAN: This Government is the only Government that has reduced land tax on the lower valuations.

The Hon. G. G. Pearson: That is not correct.

The Hon. D. A. DUNSTAN: It is correct. There was an exemption provided by the honourable member's Government in 1961 on certain areas of rural land only.

The Hon. G. G. Pearson: They paid no tax at all.

The Hon. D. A. DUNSTAN: On the contrary, we have made a specific reduction at the lower levels, which the previous Government never did. What this Government has done is get a reasonable return on the quinquennial assessment, which any Government should be able to expect. It is not surprising that there is no great outcry by the people about this impost, as it is less than most of them expected.

The Hon. Frank Walsh: The Chamber of Commerce and others have said that it is reasonable.

The Hon. D. A. DUNSTAN: They have, and it is quite reasonable. The member for Flinders said we wanted this money to bolster the Loan programme because we had raided Loan funds for revenue works.

The Hon. G. G. Pearson: That's what the Treasurer said.

The Hon. D. A. DUNSTAN: When did the Treasurer say that? Let me tell the Committee the position in respect of the Loan funds as a result of the programme adopted by the member for Flinders and his Government. When the Playford Government left office it had commenced a number of Loan works of a major nature under the lines "Hospital Buildings", "Police and Courthouse Buildings", and "Other Government Buildings" that would have required a total expenditure of \$41,156,000. If water and sewer projects are to proceed, harbours accommodation works to continue, railway capital works to be maintained, the forestry project to proceed, the minor works and advances to go on at the usual rate, and the school building programme to

continue (with the increase in school populations it must be continued) there is no flexibility in the Loan programme for curtailing works in those areas to provide for extra expenditure on the major projects mentioned. There was a pretty full commitment of the Loan moneys in the last year of the Playford Government. The member for Flinders will know that there was nothing much left in the Loan moneys in that year.

The Hon. G. G. Pearson: We used to get into trouble from you if we did not spend it all.

The Hon. D. A. DUNSTAN: I am not disputing that, but let me tell the honourable member what his Government's planning has done. In the year 1964-65, in which the Playford Government was defeated, the programme on the mentioned major projects under hospital, police, courthouse and other building loans absorbed \$5,320,000, and there was none over. The same projects already commenced, and therefore ensuring a commitment of Loan moneys, required \$8,830,000 in 1965-66, and will require \$11,290,000 (or more than twice the amount spent in this area of Loan works during the last year of the Playford Government's office) in 1966-67.

The Hon. G. G. Pearson: That is one item.

The Hon. D. A. DUNSTAN: Yes, but it is an increase of a very significant sum indeed. In no year can we normally look forward on current expectations to a sufficient increase in Loan moneys available to provide for the increases in those projects and the commencement of new major projects. If we are to provide for the projects mentioned in the other works programme charged to Loan funds, we are in trouble in starting new major works. However, members opposite, with their fine financial knowledge and concern for responsible administration and budgets, have urged upon us time in and time out during the last year to increase expenditure in the Loan area with Loan moneys already committed by their Government and with not sufficiently extra coming in to start new major works, and in addition they expect us to spend more from the revenue Budget. Indeed, the member for Gumeracha told us we had been guilty of extravagant promises, that that was the reason we were in this situation, and that it was hard luck but we would have to reduce taxes all the same. The honourable member said, "Why, finances are perfectly buoyant." "There is not the slightest reason", he thundered here last year, "why you should not give more concession

fares on Tramways Trust vehicles." He said that \$200,000 in extra concessions was a mere bagatelle.

The Hon. G. G. Pearson: On top of your programme that you are complaining about now, you have promised two major hospitals. Where will you get money for those?

The Hon. D. A. DUNSTAN: In fact, the two new major hospitals will be commenced. At the time they will be commenced we will have the Loan programme sufficiently under control to be able to plan ahead, because we have done what the previous Government did not do. The Minister of Works has seen to it that we now have a programme, not for a few years ahead and not just committing the next year's Loan funds to muddle through for a few years after that, but for 10 years ahead, with precise planning through that time. This has been done by the Minister who is alleged by members opposite to be inexperienced in financing.

Members interjecting:

The CHAIRMAN: Order! The member for Stirling is entirely out of order in speaking from other than his own place.

The Hon. D. A. DUNSTAN: The plain fact is that the Government has simply sought to get from land tax a reasonable amount to be expected upon the quinquennial assessment, because the value of money has declined and the valuations of properties have increased. Obviously we cannot expect to get the same sum from land tax and be able to pay for the same things in land tax as we did five years ago, because the money simply will not go as far. We obviously have to get sufficient provision from the normal taxation provided by the State for the ordinary expansion of services in the State. This Government's land tax proposals are modest and reasonable, and the amendment of the Leader of the Opposition to cut taxes in these circumstances is completely and utterly irresponsible. I do not see how anyone who goes to the country and says he will produce financial responsibility in South Australia and balance the Budget can come forward now with a proposal to cut taxation without at the same time saying that he will cut expenditure in the following ways: cut out free school books, discontinue service payments so that everyone will come back to the former rates, make no over-award payments whatever, and provide no equal pay for teachers or public servants.

The Hon. G. G. Pearson: Did he say any of those things?

The Hon. D. A. DUNSTAN: No, but the member for Gumeracha, in fact, specified a number of these things in talking about the extravagance of the Government, which got it into this position. At least he was sufficiently open to specify the areas in which the Liberal Party is looking to be able to cut Government expenditure so that it can do what the Leader of the Opposition says it will do. This Government does not intend to cut rates of public servants. We will honour the promises we made to the people who are employed by the State and who serve it well. In order to do that, we believe we should have a reasonable return from revenue, and we know that the people of the State support us in this.

Mr. SHANNON: I have heard of some five-year plans being successful and increasing the natural wealth of some places. Forward planning is all very well, but planning for 10 years ahead is planning for a longer time than I thought the Attorney-General would suggest. From his statement it would appear that the Government is reducing land tax. True, the Government has reduced the rate.

Mr. Hudson: Are you supporting the Bill?

Mr. SHANNON: The member for Glenelg, who is an economist, can have a shot at me when I have finished. It is strange to hear that the Government is reducing land tax, when the Treasurer said that an extra \$2,000,000 would be gained from this taxation. That is the newest way I have heard of describing a reduction in taxation. The Attorney-General also waxed eloquent about the commitments that the incoming Labor Government had to meet in the way of Loan expenditure on projects already in hand when it came into office. From what he said, I gathered that some of the major plans referred to in his Party's policy speech would come to fruition in the latter part of 1967. The Labor Government has many projects to consider, not the least important being the major plan of how to get gas from Gidgealpa. If that project has to be paid for from next year's Loan funds other works will have to be deferred. The Government may have to finance other Loan projects from revenue, consequently it will suffer the penalty incurred under the agreement between the Commonwealth Government and the States. At present, with our expanding economy and increasing population, it is difficult to plan a year ahead. I do not expect the Government to complete, in the next two years of this Parliament, the developmental works planned, as, after one year only, additional revenue has to be obtained from

increased taxation. This Government will be known as the "Tax-gathering Government". The Leader's amendment has some merit: to take \$2,000,000 from one section of the people is a severe burden, and the Leader's suggestion will reduce that by 20 per cent.

Mr. HUDSON: It will actually cost \$1,560,000. It is one-fifth of the total tax, not one-fifth of the increase.

Mr. SHANNON: The Government should realize that it should use the other available avenues from which to raise revenue.

Mr. HUDSON: I should like to explain to the member for Onkaparinga the true meaning of the Leader's amendment. Perhaps if I explained what happened five years ago, he would, in all honesty, oppose his Leader's amendment. It involves a reduction in revenue available to this Government of \$1,560,000 so that the increase in revenue would be \$540,000 only. The total land tax in 1960-61 was \$2,799,700, which increased in 1961-62 to \$4,776,098. The member for Onkaparinga, in the Committee stages at that time, spoke on the amendment moved by the then Opposition, which would have cost a paltry few hundred thousand dollars, not \$1,560,000. At page 789 of *Hansard* in 1961, he said:

I have never heard such an exhibition of irresponsibility in all my life.

What the honourable member has heard tonight beats that previous record by a mile, because this, as the Attorney-General has said, is complete and utter irresponsibility on the part of the Leader of the Opposition. I am sure there are some members of the Opposition who are prepared to be realistic and honest enough about this matter to say that the Leader's amendment should not be supported. In fact, I challenge the Leader now to say that, if by some horrible mischance for the people of South Australia he were ever to become Treasurer of this State, he would reduce land tax by one-fifth. If he is not prepared to do that, we shall all know exactly what this amendment is. It is one of the nastiest bits of grandstanding imaginable. It is insincere and politically dishonest.

The Leader of the Opposition knows full well the deficits that this Government faces at present and that the recent basic wage increase will mean, just to maintain the current standard of services, extra costs of \$6,000,000 for a full year. How does the Leader think things will be balanced out in South Australia? Let him tell the Committee. If he cannot suggest alternative measures for raising additional revenue, let him tell the Committee what will

be cut back. If he is not prepared to do that he should withdraw his amendment, because, to use the words of the member for Onkaparinga, "I have never heard an exhibition of irresponsibility in all my life such as to match that of the Leader of the Opposition on this occasion." It is worse than this. In 1961 the previous quinquennial assessment, as I have explained, also involved an extra tax on the State of \$2,000,000.

The Hon. R. R. Loveday: When money was worth more.

Mr. HUDSON: Yes. The present Leader of the Opposition (then the member for Gouger) said at page 779 of *Hansard*, in 1961:

I support the Bill with a great deal of satisfaction.

That involved an additional levy of \$2,000,000.

Mr. Clark: And a percentage increase of what?

Mr. HUDSON: Of 70 per cent at that time, compared with a percentage increase on this occasion of 37 per cent, to be spread over five years. I know that the member for Gumeracha (Hon. Sir Thomas Playford) is getting a little itchy over there. If he cares to come into the debate, I have some things saved up for him. He can be condemned out of his own mouth. We have only to go back to the 1961 debate and quote directly what he said about minor concessions asked for by the then Opposition. He was the one who imposed a 70 per cent increase in land tax in 1961; and back in 1956 he really went to town and imposed 150 per cent increase in land tax. He got it through because he left the land tax rates completely untouched at that time. There was no Bill before the House. The full effect of the increased assessment applied to the whole State with no amelioration. If he tries to get up tonight—

The Hon. Sir Thomas Playford: He will!

Mr. HUDSON: I have no doubt he will, because he does not care what he says or what the people of South Australia think of him; but, if he gets up tonight and supports this amendment, this piece of complete irresponsibility cooked up by the current Leader of the Opposition, then the people of South Australia will give the greatest horse laugh of all time, because, in all the period that the member for Gumeracha was Treasurer of this State, for non-rural land he never once reduced the rate of land tax for values below \$10,000. It stayed at ¼d. in the pound during the whole period he was Treasurer. Now it has been reduced from ¼d. in the pound to 2c per \$10, or from \$3.125 per \$1,000 to \$2 per \$1,000,

a substantial reduction. The Opposition knows the reasons for the present deficit. The Leader of the Opposition says that it is entirely the Government's own fault, but that is not the case. We all know that railway revenues are down because of the not so good season, and that the harbour revenue is down.

The Hon G. G. Pearson: What about 1959?

Mr. HUDSON: The honourable member knows that the revenue is down on the 1964-65 figures. If members opposite do not know that, they are ignorant. They know, as we all know, that certain revenue-producing provisions were defeated last year in another place. That caused the State to lose certain revenues. We all know the cost to the State of the recent basic wage increase. In fact, one member of the Opposition asked what it would cost the Government, and the answer was \$6,000,000. If members opposite will be honest with themselves and with the people of South Australia, if they are prepared to "play it fair" with the amendment before us, to use the famous but overworked term (although this is about the first time the word is completely appropriate) this amendment is "crook" and ought to be defeated by an overwhelming majority.

Mr. HALL: We have heard two fine speeches tonight. Honourable members have been forthright. It has been a good debate. The member for Glenelg challenged me to say whether or not we would reduce land tax when returned to office.

Mr. Hudson: By one-fifth.

Mr. HALL: It is easy to say now that we cannot reduce land tax when we are returned to office, because it will be spent and committed. I honestly think it is already spent. We are not making up the deficit.

Mr. Hudson: If you say the money is already spent, aren't you being irresponsible?

Mr. HALL: The revenue to be collected by this Bill is outside the ordinary Budget.

Mr. Hudson: As it was in 1961!

The ACTING CHAIRMAN (Mr. Ryan): Order!

Mr. HALL: We are asked to pass judgment without having the necessary information before us. What has been committed by a socialistic Government will remain committed. I have advocated stability in State finance, but that was wrong in the opinion of the Attorney-General. What is the alternative?

Mr. Hudson: Why are you trying to cut down revenue? If you want the Budget balanced why aren't you consistent?

Mr. HALL: If Parliament continues to sanction socialistic expenditure, this State's finances will get completely out of hand, and stability in finance will never be achieved. Whatever the Government's ventures may be, it will never successfully explain to the people why it opposes stability in State finance.

Mr. Hudson: You obviously oppose it.

The Hon. Sir THOMAS PLAYFORD: The Treasurer's assistant has pointed out that many promises were made at the last election, which the Government was merely trying to honour. I am proud to say that the Budgets for the last 27 years have been completely balanced with a level of taxation of \$8 a head below the Australian average. Those Budgets were balanced with employment below the Australian average and with development above it. How were the election promises made last year to be financed? I am given to understand that the member for Glenelg drafted the statement that has been quoted this evening, so it is backed by the full imprimatur of a learned institution. The policy enunciated by the Government at the last election deals specifically with this topic under the heading "Finance", as follows:

So soon as I mention anything concerning finance, I am always asked, "Where will you get the money?" Let me remind you that the Hon. Sir Thomas Playford, M.P., as Treasurer, carried on with a deficit of almost £2,250,000 for the first six months of the present financial year and the affairs of the State went on without any fuss. Ours is not a policy for extravagance, it is one for accuracy in budgeting.

Then, we get down to some detail:

We have two State-owned banking institutions. The State Bank is a trading bank and has done outstanding business in the financing and development of the State. The Savings Bank of South Australia was brought under the control of Parliament in 1945 at the request of the trustees and under the Act passed by the Parliament in that year.

Mr. Hudson: Are you dealing with the amendment?

The Hon. Sir THOMAS PLAYFORD: The speech continues:

Whilst South Australia possesses a number of great State undertakings such as the South Australian Housing Trust and the Electricity Trust of South Australia—

Mr. McKEE: On a point of order, Mr. Acting Chairman, I ask that the honourable member's remarks be directed to the amendment.

The ACTING CHAIRMAN (Mr. Ryan): Will the honourable member for Gumeracha confine his remarks to the amendment or the clause.

The Hon. Sir THOMAS PLAYFORD: I shall ask you, Sir, to give me the right to reply to statements made by honourable members opposite with the permission of the Chair. Have I that permission?

The ACTING CHAIRMAN: Yes, provided the honourable member's remarks relate to the amendment or to the clause under discussion.

The Hon. Sir THOMAS PLAYFORD: The amendment provides for a reduction from the 37 per cent proposed increase in land tax to about 10 per cent. The honourable member who raised objection to my remarks, and who apparently cannot take it, will see that the Treasurer's policy speech referred to an increase in budgetary expenditure of 7 per cent. Last year, Parliament reluctantly increased land tax by 17 per cent, and we are asked to increase it this year by 37 per cent. No mention was made in the policy speech of such enormous increases in land tax. How can the Attorney-General (the Assistant Treasurer, or whatever he is) claim that this Bill is implementing proposals in the policy speech? That speech laid down all sorts of peculiar ideas devised by the member for Glenelg, which, unfortunately, do not produce money. However, the Treasurer must have real money. The Leader's amendments would bring the level of land tax in this State into line with the Australian level. The report of the Commonwealth Grants Commission, which is the most authoritative document on finance in Australia, shows that traditionally South Australia's level of taxation has been about \$8 a head below the Australian average. That is how the economy of this State has been built up, but industry will be jeopardized if our taxation is increased to the Australian level. Whether taxation on the householder or industry is increased, industry ultimately has to pay, because high taxation on the householder involves industry in the payment of higher wages.

Last year the Treasurer justified the increase in taxation by saying that during 1964-65 the State collected land tax amounting to \$4,970,000, or about \$4.75 a head, while the land tax collected in that year in the five other States averaged \$5.70 a head. He went on to say that this meant that the average yield elsewhere in Australia was 20 per cent above that of this State. This year's figures take us well above the average of the other Australian States and the Treasurer justifies that by saying that perhaps the tax in those States will increase in due course. However, our

industries cannot bear such a rate of taxation. There was no mention in the policy speech of this increase or that we would become involved in all kinds of new expenditures. We cannot justify taxation at a higher level than the Australian average, and I support the amendment.

Mr. CASEY: I oppose the Leader's amendment. I was staggered by what the member for Gumeracha said about the rate of tax that would apply in South Australia, because the Treasurer has submitted a table that clearly proves that the honourable member was completely wrong when he implied that we would be the most highly taxed State in the Commonwealth. The figures given by the Treasurer (at page 621 of *Hansard*) show the average tax in South Australia for 1966-67 as \$7.15 a head and the average for the four States other than Queensland as \$7.30 a head. When the Leader spoke in defence of his amendment he realized that the Attorney-General and the member for Glenelg had made good speeches and he said something to the effect that those members should have been on the stage. I thought he was going to quote Shakespeare, because in *The Merchant of Venice* Antonio said:

A stage where every man must play a part,—
and this applies particularly to the Leader—
and mine a sad one.

I do not think the Leader is responsible for this amendment but rather that he was prompted to move it by the member for Gumeracha. It was the member for Gumeracha who challenged the Government to go to the people on this. When a backbencher makes that sort of statement, where will we finish? Perhaps it was the green light from the Upper House. The Opposition has been employing that sort of tactic since we have been in Government.

When the member for Gumeracha was Leader of the Opposition I said that he was employing the same tactics as the Communists were applying by trying to bleed the free world economically. The Opposition is adopting a similar attitude now. In a debate five years ago the Opposition moved an amendment that would have assisted the small people of this State in the same way as we have provided for them in this Bill. In that year the then Treasurer said:

This Bill was introduced to meet hardship cases. The Government is not in a position today to give away its revenue lightheartedly.

I point out that in that year the Bill provided for a 70 per cent increase and that the present Bill provides for only 37 per cent. He then said:

Members opposite want social services, education, roads, and all those services that go to make an ordered community. . . . Members opposite seek to provide an exemption—

we were not asking for the world: we were not seeking to reduce taxation by over \$1,500,000—that will make the legislation impossible, because that exemption will take revenue from the Government. If this amendment is accepted the Government could not proclaim the Act or make the concession because it would not have the money to enable it to do so.

This happened about five years ago, and the concessions we were seeking would have cost about \$800,000. Without looking at the principal Act, the member for Rocky River said we were not providing anything for people with rural areas valued at over \$5,000.

Mr. Heaslip: Which clause are you speaking to?

The CHAIRMAN: If the honourable member is referring to something said in the second reading debate, he is out of order.

Mr. CASEY: It was said not in the second reading debate but on this amendment. I refer now to section 11 (3) of the principal Act.

Mr. HEASLIP: I rise on a point of order, Mr. Chairman. The member for Frome has been speaking to clause 5, but I understood we were speaking to clause 6.

The CHAIRMAN: The honourable member is correct. The member for Frome must discuss clause 6. I do not know whether he proposes to link his remarks with the clause. If he does, he will be in order.

Mr. CASEY: I apologize, Mr. Chairman, but my remarks are linked up with the whole question of the proposed reduction in the rates provided in the Bill. The present Leader of the Opposition, when an amendment along the same lines as this amendment was moved five years ago, said:

We have heard much about the methods of arriving at assessments, but I maintain, after hearing those arguments and from undertaking research, that the sale value is the fairest way of arriving at comparative values. . . . We must also remember that the assessment arrived at by the department would not be the sale value; it is always a little below sale value.

I assure him that it is always a long way below sale value. The member for Gumeracha spoke about the dairyman, whom I mentioned in the second reading debate. I think his tax went

up by about \$3, which is not excessive. If the man on the land considers he is being unjustly treated he can go before a tribunal. There are competent men to review assessments, and I know many primary producers who have had their land re-assessed.

Mr. Heaslip: Not this year.

Mr. CASEY: I do not think assessors have had the chance to go around, but I think the same will apply. The honourable member praises these people one minute and then does the opposite the next. We have been accused of introducing measures that are crook, a fraud, and many other names, but I do not think any name used by members opposite can aptly describe this amendment.

Mr. HEASLIP: I oppose the clause and support the amendment. The State has a large deficit and must have more money. This clause is designed to raise \$2,000,000 extra revenue. One section of the community should not be sorted out to meet this deficit. Why should landowners be picked out to help the Government correct this deficit of about \$8,000,000 which the Government has brought about by trying to meet its promises? The section of people in the State who have gained most from the legislation introduced by the Government will not contribute anything under this measure. People who use the buses and railways (both of which cost the Government large sums) will not contribute in land tax. Lawyers, doctors, carpenters, builders, school-teachers, members of Parliament, electricians and so on do not depend on the land to make their income and will not be affected greatly by the Bill. The Government will collect this \$2,000,000 from people dependent on the land for their livelihood.

This is sectional taxation. If the Government is going to collect more money then let it collect it from all the people. In 1964-65, excluding Queensland, South Australia had the second lowest land tax per capita in the Commonwealth. Now South Australia has the second highest land tax in the Commonwealth, excluding Queensland. On the other hand, South Australia's unemployment figures are now the highest in the Commonwealth, whereas 18 months ago they were the second lowest.

Mr. Curren: Where is that in the Bill?

Mr. HEASLIP: It is not in the Bill. We have built up industries in South Australia by making the State's taxation rates attractive in comparison with the rates in other States. How can we hope to encourage industries to South Australia, with its natural disadvantages, if we have the second highest land tax in the

Commonwealth? The Leader's amendment will help us to compete with other States in attracting industries.

The Committee divided on the amendment:

Ayes (14).—Messrs. Bockelberg, Brookman, Coumbe, Freebairn, Hall (teller), Heaslip, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Quirke, Rodda, and Shannon, Mrs. Steele and Mr. Teusner.

Noes (16).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hutchens, Langley, Loveday, McKee, Ryan, and Walsh (teller).

Pairs.—Ayes—Messrs. Ferguson, McAnaney, and Millhouse. Noes—Messrs. Bywaters, Hurst, and Jennings.

Majority of 2 for the Noes.

Amendment thus negatived.

The CHAIRMAN: Does the Leader wish to proceed with his second amendment?

Mr. HALL: No, Mr. Chairman.

Claused passed.

Remaining clauses (7 to 14) and title passed.

Bill reported with amendments.

Bill recommitted.

Clause 4—"Imposition of land taxes"—reconsidered.

Mr. COUMBE: I move:

To strike out "paragraph" second occurring and insert "paragraphs"; and to insert the following paragraph:

- (i) Land which is owned or occupied by or held in trust for or under the management and control of any church or religious denomination in the State except such portions of land as in the opinion of the Commissioner are used for industrial professional trade or business purposes.

Section 10 of the Act sets out what is totally exempted from land tax, and includes land used for religious purposes. Partial exemptions are also granted, the only relief being that land is not to be aggregated. Where a church owns a house in which the Minister of religion lives the same tax is paid as if any other person lived in that house. Churches of all denominations purchase or acquire land to provide for the future, and when the community is established a church is built. However, land tax has been paid at the standard rate on the vacant land, although no tax is paid after the church has been erected. This amendment provides that the land tax is not payable on the land at any stage. Tax has to be paid on land purchased as an investment or used for profit. Other States include this provision in their legislation. I remind the Treasurer that, unlike other amendments that may

incur loss of revenue, this will probably cost the Treasurer no more than \$1,000 a year, as the land tax on the average good block in the metropolitan area may be about \$10. I have no way of accurately estimating the cost but it would be only a token amount, not a large amount. I cannot see how any member of the Committee can conscientiously vote against this amendment.

The Hon. FRANK WALSH: We cannot accept this amendment. Land used "solely for religious purposes" is already wholly exempt under section 10 (c) of the principal Act. Under section 12a (1) inserted by the previous Government in 1952, where the Commissioner is satisfied that the land is used wholly or mainly for charitable, educational, benevolent, religious, or philanthropic purposes, or the net income from such land is so used, then a partial exemption is granted by applying only the minimum rate of tax. This minimum rate of tax is proposed in the Bill before the Committee at 2c per \$10, or only 64 per cent of the previous rate.

Two points that may appear to have substance have been urged from time to time. These are the exemption of land on which a residence for a minister of religion is built, and exemption of land held with the ultimate intention of constructing a church. With the former, the granting of full exemption would place a residence owned by a church in a different position from one rented by the church and, in effect, would be granting a greater privilege to the better-off church than to the one forced by circumstances to rent. Respecting the second point, there are considerable and real dangers and administrative difficulties in exempting land intended for a specific purpose though not as yet so used. From time to time religious bodies have acquired and owned valuable land intended for churches but have subsequently decided on alternative sites and sold or used the original land at considerable profit.

I realize that some religious bodies are in a position to provide accommodation for their clergymen. Some have freehold property, but other bodies may not be so fortunate. The exemption provided for by this amendment means that the religious body with a house of its own would be at an advantage compared with others. If an age pensioner is granted an exemption from rates, the council concerned asks where it will get the money from to make up for that exemption. This proposed exemption can be viewed similarly. I hope to present the Budget to the House on about September 1.

I am not in a position this year to offer further concessions. Perhaps I shall be able to on another occasion.

The Hon. B. H. TEUSNER: I support the member for Torrens in his effort to have this Bill amended as indicated. Last year he moved a motion concerned with similar matters, alleviation from taxation in respect of certain church organizations and charitable institutions. In 1961, when the Land Tax Bill was being considered, the present Treasurer introduced an amendment by which he sought exemption for certain persons from the payment of land tax altogether. He referred to "land on which there is a residence owned and occupied by a person in receipt of an old age, widow's or invalid pension", and sought an instruction of the Committee to enable him to move that amendment, which instruction was granted and the amendment was moved. I considered that the then Leader of the Opposition had eleemosynary proclivities, as on this occasion I think the member on this side of the Committee has with his amendment, which provides exemptions for institutions performing charitable functions. The amendment moved in 1961 by the then Leader of the Opposition, according to what the member for Frome has just said, involved \$800,000-odd, whereas this amendment is a flea-bite in comparison. In the past five or six years church organizations have been obliged to purchase land throughout the metropolitan area and in expanding country towns, while it was available at a reasonable price, in order to reserve it until the appropriate time for the purpose of erecting a house of worship thereon. In view of the small sum involved, I implore the Treasurer to accede to the Opposition's request and to grant this concession.

Mr. CUMBE: I believe the amendment should be conscientiously supported by every honourable member. In a proposed increase of \$2,000,000, only a small sum of \$1,000 or so will be involved. I understand that the Treasurer will not consider the amendment because the proposed revenue has already been

included in the Estimates. The Treasurer said that the amendment would cause an administrative difficulty in the Lands Tax Department, but I point out that the land to which I have referred is already claimed by the various organizations concerned under the partial exemption clause of the Bill, so how can it cause more administrative work? As no reason has yet been produced why the amendment should not be carried, I ask honourable members to support it.

Mr. QUIRKE: I do not support the amendment. I follow the line that I originally followed when I said that all landholders should pay some land tax, if such a tax is to be imposed, no matter how small it may be. Some church properties can well afford to pay the tax, while others cannot. The \$10,000 exemption should catch all those who cannot afford to pay the tax. I was attracted by what the Treasurer said, namely, that we are on the rocks. We all know that that is so, although the Government is not entirely responsible for the situation. I agree with the Treasurer's decision.

The Committee divided on the amendment:

Ayes (13).—Messrs. Bockelberg, Brookman, Coumbe (teller), Freebairn, Hall, Heaslip, Nankivell, Pearson, and Sir Thomas Playford, Messrs. Rodda and Shannon, Mrs. Steele and Mr. Teusner.

Noes (17).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hutchens, Langley, Loveday, McKee, Quirke, Ryan, and Walsh (teller).

Pairs—Ayes—Messrs. Ferguson, McAnaney and Millhouse. Noes—Messrs. Bywaters, Hurst and Jennings.

Majority of 4 for the Noes.

Amendment thus negatived; clause as amended passed.

Bill read a third time and passed.

ADJOURNMENT.

At 10.52 p.m. the House adjourned until Thursday, August 4, at 2 p.m.