

HOUSE OF ASSEMBLY

Wednesday, August 31, 1966.

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

QUESTIONS

SCIENCE EDUCATION AID.

Mr. HALL: My question concerns Commonwealth Government subsidies for science facilities at South Australian schools. Senator Gorton, speaking in the Commonwealth Parliament yesterday, said that the Commonwealth Government had allocated \$1,500,000 for science facilities in South Australian schools, that \$1,250,000 of this had been spent, and that the money had provided facilities at 28 schools. The Minister is then reported as saying:

The Commonwealth Government determined the amount to be made available for science facilities in State schools, then left the selection of priority to the State Governments.

Can the Minister of Education say how this priority is arrived at, and will he bring down a list of the schools that have received this assistance?

The Hon. R. R. LOVEDAY: The priorities governing the way the money is spent are determined in the usual way by appropriate officers in the department when such money is available: that is, on the most urgent needs of the schools. I shall try to obtain a report on this matter for the Leader.

TOMATOES.

Mr. LANGLEY: Has the Minister of Agriculture a reply to my recent question about the sale of early tomatoes, and about the protrusions on them caused by the use of spray?

The Hon. G. A. BYWATERS: The "large lump" tomatoes that are generally seedless (not fully formed) are tomatoes that are set artificially by hormone spray. The tomatoes badly affected would be sold as "bucks". However, all tomatoes offered for sale during the winter and spring months are affected to a greater or lesser degree. Many growers partly overcome the problem by reducing the strength of their hormone spray. The only way to produce a better product would be to prohibit the use of hormones, but this would also greatly reduce winter production.

PHOSPHATE ROCK.

The Hon. B. H. TEUSNER: Has the Premier a reply to the question I asked last

week concerning the mining of phosphate rock at Moculta, in my district?

The Hon. FRANK WALSH: I have not received a reply from the Mines Department yet.

ABORIGINAL LANDS TRUST BILL.

Mr. HUDSON: It has been suggested in the last day or so that the Aboriginal Lands Trust Bill, which was previously brought before this House, is, in fact, a hybrid Bill. If this is so, Mr. Speaker, why was it not treated as a hybrid Bill when it was before this House?

The SPEAKER: I am grateful to the honourable member for giving me an hour's notice that he was going to ask this question. I do not intend either to give a retrospective ruling or to presume to suggest what view should be taken of this Bill by the Chair or members in another place. However, I consider that I am able to make the observation that there was implicit evidence of my opinion in the procedural course I allowed the Bill to take in this House; that the Aboriginal Lands Trust Bill was not a hybrid Bill as defined in Joint Standing Orders (Private Bills) No. 2; that it was not a Bill of a local nature; but that it was a public Bill dealing with matters of public policy only.

PHOSPHATE SEARCH.

The Hon. G. G. PEARSON: Has the Minister of Agriculture a reply to the question I asked on August 24 about the search for phosphates?

The Hon. G. A. BYWATERS: The Minister of Mines states that investigations planned by companies in the search for off-shore phosphorite deposits or other minerals will involve a study of sea floor conditions, initially by photographs of the bottom, and by sampling using various types of mechanical grabs and other tools. Later, deposit thickness may be determined by either jetting or drilling in selected areas. In any event, it is expected that there will be no use of explosives, hence the activities should not be prejudicial to the fishing industry. After reading the question in *Hansard* last week, on Monday I spoke to the Director of Fisheries and, although he was not aware of what was taking place in this instance, he told me that there had been much co-operation between the Mines Department and him as Director of Fisheries. Under the Act it is necessary that, if

explosives are to be used the Minister in charge of fisheries has to consent to their use. I have noticed that always when explosives are used after the matter has been referred to the Director of Fisheries, the reply has been that they would not significantly harm fishing interests. Therefore, their use has been approved. In this instance, the honourable member may rest assured that it is not intended to use explosives in any way at this stage.

GRASSHOPPERS.

Mr. CASEY: For many years I have constantly stressed the destructive powers of grasshoppers in the North of this State, and only last week drew the attention of the Minister of Lands, representing the Minister of Agriculture (who was unfortunately ill at the time and whom I am pleased to see back in the House), to an outbreak of grasshoppers in the Hammond-Moockra area. Can the Minister of Agriculture say what action is being taken to combat the grasshopper menace in the Northern areas?

The Hon. G. A. BYWATERS: I have been indebted to the honourable member for his quest to combat the non-migratory types of grasshopper with which he has a problem in his district, and which also present a problem on the Far West Coast, mainly around Ceduna. I have taken up this matter with a research entomologist of the Agriculture Department, who has shown a particular interest in the problem. As recently as last week the Minister of Lands received a deputation from Northern councils, and the matter was considered. To show the interest being taken in this matter, I point out that field studies on the plague grasshopper will be undertaken by the Agriculture Department this spring. Grasshoppers were a serious pest in Northern and Far Western agricultural districts, and the investigations would include a trial suppression campaign. Experiments would be designed to test promising new spraying techniques. In the initial stages trials will be carried out in a restricted area only and, because of local topography, the Peterborough District Council area has been selected for initial work. Landowners in all areas affected by the plague grasshopper can make a valuable contribution to these studies by reporting the location and extent of hatchings during September and October to their district council officers. This information, of course, would be of great assistance to the research officers concerned.

MURRAY RIVER.

Mr. CURREN: The supply of water from the Murray River and the river's salinity levels are causing considerable concern to irrigators in my district. At present an irrigation is in progress, and much misunderstanding exists about the effects of highly saline water on plantings. In an endeavour to have the relevant information made public, I ask the Minister of Works the following questions. First, how much water is stored for South Australia in the Hume reservoir and Lake Victoria? Secondly, how much water is currently being released from storages for use by South Australia? Thirdly, what is the present salinity level at each pumping station in the irrigation settlements? Fourthly, what percentage of the water at present in storage would be needed to create sufficient flow in the river to reduce the salinity to 25 grains a gallon?

The Hon. C. D. HUTCHENS: The honourable member was good enough to inform me earlier that he would ask these questions, and I have the following replies:

(1) The quantity of water stored in Hume reservoir and Lake Victoria is at present 1,800,000 acre feet. After allowing for the likely natural flow above Albury plus diversions from the Snowy River to the Murray River the total water resources available for the season (that is to the end of April next) are expected to be approximately 3,300,000 acre feet. Of this amount 1,300,000 acre feet will be required to meet river losses and provide a small reserve in both Hume reservoir and Lake Victoria at the end of April, 1967. This leaves 2,000,000 acre feet available for diversion of which South Australia is entitled to 3/13ths, or 460,000 acre feet. When the provision for losses in South Australia is added the estimated regulated flow to South Australia during the August to April period inclusive is 883,000 acre feet compared with the normal allocation of 1,066,000 acre feet. This represents a reduction of 17 per cent below normal. Actually, the position will be better than this for a substantial freshet is now entering South Australia and it appears that the flow during September will be above the regulated flow. Lake Victoria will fill in the next few weeks. Moreover, there is still time for favourable spring rains to substantially improve the overall situation.

(2) No water is being released from Lake Victoria as there is a surplus flow and some of this is being used to fill Lake Victoria. Releases from Hume reservoir are regulated to meet the requirements of all States after making allowance for tributary flows below Hume reservoir.

(3) The present situation at the main irrigation pumping stations is as follows:

Place.	p.p.m.	SALINITY.	
		Grains per gallon.	Remarks.
Renmark	270	19	Salinity falling.
Berri	350	25	Salinity falling.
Loxton	500	36	Salinity falling.
Cobdogla	500	36	Steady—will soon fall.
Waikerie	580	41	Salinity falling.
Cadell	630	45	Steady—will soon fall.

The position will quickly improve throughout the length of the river in South Australia.

(4) There is no definite relationship between flow and salinity although it is true that the greater the flow to South Australia the lower the salinity. Recent rains on tributary catchment areas have caused a freshet in the Murray River with the result that water is being fed into Lake Victoria as quickly as possible and in addition there is a flow of 4,500 cusecs passing lock 9, compared with the normal regulated flow of 1,600 cusecs for August. The salinity at lock 9 is now 100 parts per million (7 grains per gallon).

The Hon. G. G. PEARSON: I was very much interested in the information the Minister of Works gave to the honourable member for Chaffey. It was suggested some time ago that, in order to augment the flow in the Murray River, water should be brought across through the Jindabyne tunnel from the Snowy side of the Snowy Mountains Hydro-Electric Scheme, I think to use it through the M1 power station on the Murray side, and thence to pass it down the Murray River. This, in effect, would transfer water from the Snowy side to the Murray side, which was the basic purpose of the Snowy Mountains scheme. I am interested to know whether, in the light of recent rains which have added water to the tributaries of the Murray River on the north of the Divide, this will now be necessary. Will the Minister have that matter checked with South Australia's representative on the River Murray Commission to see whether it is intended to carry out this programme and, if it is, what quantity of water is expected to be transferred?

Secondly, there is provision under the agreement for the New South Wales Government to release certain waters down the Darling River during the period of construction of the Chowilla dam. Can the Minister say whether it is intended that any such water should be released by the New South Wales authority at Menindee for the purpose of augmenting the flow in the Murray River? In the early stages of the implementation of the Snowy Mountains scheme, the authority diverted the waters of the Tooma (a tributary of the Murray) into the Tumut (a tributary of the Murrumbidgee). The Minister will recall that this was

a serious bone of contention between the South Australian authorities and the Snowy Mountains authority at that time. Will the Minister also ascertain the average quantity of water so diverted each year from the Murray River to the Murrumbidgee River as a result of diverting the Tooma River into the Tumut River, and whether this quantity equates or is matched by the proposed quantity to be transferred from the Jindabyne tunnel?

The Hon. C. D. HUTCHENS: As this matter is involved, it would be difficult for me to give an immediate reply. I had a long discussion with Mr. Dridan, a commissioner, on this aspect, and I am sure he will be able to provide most of the answers. Lest I give wrong information, I ask the honourable member to bear with me so that I can obtain a considered reply for him.

COMPANIES ACT.

Mr. COUMBE: I understand that the Attorney-General recently attended a meeting of the Attorneys-General of Australia at which he was reported to have said that he was contemplating introducing amendments to the Companies Act. Can the Attorney say if and when he intends to introduce such amendments, and what form they are likely to take, or is any action still contingent on a later meeting of the Attorneys-General?

The Hon. D. A. DUNSTAN: I do not expect that the legislation will be introduced until after the next meeting of the Standing Committee, which will be held in Adelaide during October. Legislation has already been introduced in Victoria, but I believe that before its introduction here further consideration of parts of the draft will be necessary. I should like to discuss it again with the other Attorneys-General before bringing it to the House. However, I expect that it will be some time about the end of October.

RAILWAY HOUSES.

Mrs. BYRNE: Recently my attention was drawn to three railway houses at Fords being in a bad state of repair. One semi-detached house is occupied by an invalid pensioner, and

the other two are vacant. Will the Premier ask the Minister for Transport to obtain from the Railways Department a report on these houses?

The Hon. FRANK WALSH: Yes, and as soon as the report is ready I will inform the honourable member.

STATUTES.

Mr. MILLHOUSE: At the end of last session, early this year, Parliament passed a Bill dealing with the republication of the South Australian Statutes. In his second reading explanation the Attorney-General said that the Law Book Company (I think it was) had arranged that the editorial work should be done by Mr. J. P. Cartledge, who has since died. In view of the lamented death of that gentleman, I ask the Attorney-General whether he is aware of any other arrangement the Law Book Company has been able to make to have the editorial work done, or whether the work is likely to be held up indefinitely because of Mr. Cartledge's death.

The Hon. D. A. DUNSTAN: I am not aware of any arrangement the Law Book Company has been able to make. I have discussed the matter with that company, which has made approaches to possible editors and draftsmen, so far, I fear, without success. If the honourable member has any suggestions as to how we may cure this situation, I shall be very grateful to him, as I am anxious for the work to go ahead as quickly as possible.

PARKING BAYS.

Mr. RODDA: My question relates to the recently constructed parking bays on the Naracoorte to Keith road. Although they are providing a service to the travelling public, they are not marked as parking bays. One in particular is constructed at the 196-mile post, and, although I hesitate to labour the question, that bay is hidden by a big line of trees. Heavily laden vehicles coming out of this parking bay at slow speed are a traffic hazard to oncoming traffic from the north. Will the Minister of Lands confer with the Minister of Roads and look at this rather dangerous situation, which is surrounded by trees?

The Hon. J. D. CORCORAN: I am sure my colleague will welcome this question from the honourable member, particularly as he is a colleague of the honourable member for Burnside. I take it that he is advocating the removal of some trees. Although he has suggested that there are many trees in this area,

no doubt careful consideration and deliberation will be given to the necessity of removing any of them. However, I shall be happy to refer the honourable member's question to the Minister of Roads.

HOUSING.

Mr. LANGLEY: Recently a large sum was made available in the Loan Estimates under the line "Advances for Homes". As the State Bank finances the purchase of established houses, of which many are on the market in my district because of bereavement, can the Premier say how many loans will be granted this financial year?

The Hon. FRANK WALSH: I can only ascertain what the probable number for 1966-67 would be. As is well known, \$200,000 has been set aside for this purpose. However, I hasten to assure the honourable member that even though such houses may be in closely-settled areas it is necessary that they be substantial houses and that there be a reasonable equity in them.

GILBERT RIVER BRIDGE.

Mr. FREEBAIRN: Has the Minister of Lands a reply from the Minister of Roads to the question I asked on August 24 about the completion of the Gilbert River bridge at Hamley Bridge?

The Hon. J. D. CORCORAN: The Minister of Roads reports that, although the contract time for completion of the bridge over the Gilbert River at Hamley Bridge is by January, 1967, the contractor is making good progress and it is currently expected that the new bridge will be open to traffic by the end of November, 1966. In any case, the inconvenience to traffic through using the temporary Bailey bridge is not considered unreasonable.

COUNTRY SEWERAGE.

Mr. QUIRKE: Yesterday I asked the Premier a question concerning the effluent drainage scheme for towns such as Clare, and in his reply he said:

The Engineering and Water Supply Department does not intend at this stage to submit a scheme providing for a full sewerage system for Clare. In view thereof, the Department of Public Health will handle any proposals for a common effluent drainage scheme.

My major point was the question whether the Government would in any way subsidize such a scheme if the consent of the Public Health Department was obtained. Can the Premier say whether money will be available to help carry out the work, as the town will not have a full-scale drainage scheme?

The Hon. FRANK WALSH: I shall inquire to see whether it is possible to comply with the honourable member's request.

PRISON INCIDENT.

Mr. MILLHOUSE: Has the Premier a reply to the questions I asked last week and yesterday concerning the stabbing of a warder at Yatala Labour Prison by prisoner Ween?

The Hon. FRANK WALSH: The circumstances of the incident were that on the morning of August 8, 1966, a prisoner, while employed in the bootshop at the Yatala Labour Prison, committed an unprovoked assault on a prison officer who was performing normal duties in that workshop. The prisoner was charged with committing an offence under section 46 of the Prisons Act and appeared before a Full Court comprising two visiting justices, on August 22, 1966. He was found guilty and sentenced to 12 months' imprisonment. In addition, it was ordered that he should not be employed in association with other prisoners for an indefinite period, and should forfeit all indulgences, privileges and tobacco during this period.

COMPENSATION.

Mr. MILLHOUSE (Mitcham): I move:

That in the opinion of this House the Government should, this session, introduce a Bill to provide for the payment of compensation to victims of crimes of violence.

The need for compensation in the form of monetary damages to persons injured by criminal acts of others is something that I have raised in this House on several occasions in the last few years. To those injured in other circumstances we have done our best to ensure that compensation is not only due but paid, and it is plainly just that this should be so. For example, those who suffer injuries on the roads because of the negligence of others are compensated. Through compulsory insurance we have provided that a victim will get compensation whatever the financial circumstances of the man or woman legally responsible for the injury. Our aim is to ensure that an insurance company with funds sufficient to meet claims stands behind every motorist. There is an unhappy contrast in the case of those injured by the deliberate act of another. Certainly there is a right of action for damages against the wrong-doer, but in most cases this is completely hollow.

Frequently, the perpetrator of the act causing injury is, as we call him, a man of straw; he has no money or any other assets to satisfy any judgment that may be obtained against him. If he is imprisoned, as punishment for the wrong he has done, this may satisfy the conscience of the community, but it effectively prevents him from earning anything out of which he can pay compensation. Ironically enough, in our modern society the prisoner may well have considerable sums spent on him in an effort to rehabilitate him, but nothing is spent, at the moment, to compensate his victim. It was this consideration that moved the State of California to make such a provision as I am suggesting should be made in this State. An article in the *New Statesman* of September 10, 1965, illustrates the line of thinking in California. Having canvassed the fact that much money is spent in that State under the present system and in the rehabilitation of those who commit crimes, the article states:

California is also a State prepared to experiment. This year's bumper \$85,000,000 budget of the Department of Corrections, combined with advanced methods of criminal rehabilitation, gives offenders a better chance than elsewhere. While a spell inside is never a ticket for the gray train, a criminal can catch up with his education, work in State-run correctional industries or open-air conservation camps, attend group therapy, and even get plastic surgery. His victim (until now) got nothing except the bill, and the empty privilege of suing someone who could never pay. An injustice everywhere in the civilized world, the difference between the treatment of the criminal and his victim, was particularly shocking in this setting. One recent case of a middle-aged woman, who was injured during a purse-snatch by two teenage youths (who escaped by car) and paid out her life savings in medical bills, so enraged Superior Court Judge Francis McCarthy that he wrote to State Senator Eugene McAteer suggesting State compensation for all victims of violent crime. Three months later Bill 1057 was passed.

That, I think, sums up one of the big arguments in favour of legislation of this nature. I suggest it is impracticable to devise any scheme of insurance privately to cover such cases. The only way of dealing with the situation is for the State to pay compensation. One can think of many examples; in fact, in the last 10 minutes in this House reference has been made to an example of this sort of thing. The warder who was injured at Yatala recently is certainly entitled to workmen's compensation but, to the best of my knowledge, he is entitled to nothing more. He, of course, has a right

of action against the prisoner concerned, but what good is that to him? None at all, I suggest.

One does not have to think very hard to remember other things that have happened. For example, I cite a person in the street who comes to the aid of police officers when they are having trouble, say, with an arrest, and who is injured in the course of his assistance to the police. That person may receive an *ex gratia* payment but he is not entitled to any compensation for what he has done in assisting the officers of the law. One can think of somebody who is knocked over, bashed and robbed in the street. The same applies to him. Many more examples may come to mind. Recently the common justice of making sure that compensation is payable has begun to be recognized. I have already mentioned the State of California, and I should also like to say something about what is now being done in the United Kingdom and in the Dominion of New Zealand. Before I do, however, I should like to summarize the five reasons why I suggest that this legislation should be introduced in South Australia.

First, although I do not argue that the State should accept absolute liability for failing through the police or other law enforcement organizations to prevent such injuries, I am sure that the public has (in fact, we all have) a special sense of responsibility for victims of crimes of violence. Secondly, the proper remedy for a criminal injury should be recourse against the criminal. Usually, as I have said, that is quite useless; he has no money, and we hope he is in gaol, anyway. Moreover, it is unfair to the victim that recovery of compensation should be dependent on whether or not a particular criminal who may have caused injury is caught. Thirdly, we encourage, and it is possible to obtain, insurance against loss of or damage to property, but it is much less usual and much more difficult to insure one's own person against such a happening as this.

Fourthly, physical injury has already been provided for under the Workmen's Compensation Act, and the kind of hardship that I have in mind is somewhat analogous to cases for which workmen's compensation is paid. Fifthly (and this is an argument that I am sure will appeal to the present Treasurer), the cost of a scheme is unlikely to be high, and certainly insignificant compared with the importance of helping victims of crimes of violence. Experience in the United Kingdom in the last 18 months also has shown this, and I shall

deal with the figures a little later on. There are comparatively few cases in which compensation becomes payable and, of course, we would all agree that the fewer cases the better. Indeed, I should be very happy (as I am sure everyone in the House would be) if there were no cases at all, but there is always the likelihood of cases cropping up. If we can ensure that this compensation is paid only to one person in every year, then such legislation would be worth while.

In the United Kingdom in 1961 the then Government published a White Paper entitled "Compensation for Victims of Crimes of Violence," and it canvassed possible schemes that could be introduced. In 1962 a committee of members of the Conservative Party published a pamphlet entitled "Victims of Violence" in which the committee set forth a scheme for compensation. A little later, *Justice*, which is the British section of the International Commission of Jurists, published a report entitled, in the same way, "Compensation for Victims of Crimes of Violence". In the preface to that report the Right Honourable Lord Shawcross (Attorney-General in the Attlee Government, I believe) endorsed the pamphlet and the suggestions of the Conservative members, and endorsed the scheme generally.

I do not think I need quote from that, but it is here if any member wishes to see it. Therefore, in the early 1960's the matter had very wide endorsement in the United Kingdom. As a result, an experimental scheme was introduced in that country in 1964. At present this scheme is non-statutory; there is no Act of Parliament under which it is set up, but compensation is paid after having been assessed by a board. I have here a report in the *Commonwealth Survey* of the arrangements that have been made, and I quote briefly from it, as follows:

A lump sum *ex gratia* payment assessed with certain exceptions on the basis of common law damages for personal injury— that is, the basis on which damages at law are assessed, say, in a road traffic case— is the form of compensation for victims of violent crime proposed by the British Government in a White Paper . . . presented to Parliament by the Home Secretary and the Secretary of State for Scotland in March, 1964.

This is, of course, the second White Paper on this subject. It goes on:

Generally speaking, compensation will be payable, whether or not the offender has been brought to justice, provided that:

- (a) there has been an appreciable degree of injury (that is to say, an injury giving rise to at least three weeks' loss of earnings or, alternatively, an injury for which not less than £50 compensation would be awarded in common law) directly attributable to a criminal offence involving the use of force, or to an attempt by the victim, acting as a member of the public, to apprehend a criminal;
- (b) the circumstances of the injury have been reported to the police without delay or have been the subject of criminal proceedings in court;
- (c) the injury was incurred after the scheme had come into operation; and
- (d) the applicant is willing to submit to an official medical examination.

The scheme is to be administered by a specially appointed compensation board (the Victims of Crimes of Violence Compensation Board) with a chairman of wide legal experience and five (at the outset) other legally qualified members.

Then it goes on to give some more detail of the scheme. That board has itself published its first report, and I have, in the 1965 *Commonwealth Survey*, a report of the board. As it contains a few figures, I think it is worth referring to it. It states:

The need in a modern State for a scheme for the compensation of victims of crimes of violence was stressed in the first report—that is, the report of the Criminal Injuries Compensation Board—

which has been in existence for just over a year. The experience of the board has already led them to the conclusion that no one called upon to deal with cases where a blameless victim had been seriously disabled, sometimes for life, or in which the elderly and infirm had suffered injury and shock, could fail to feel deeply what a worthwhile part was being played in the full administration of justice by the power to award compensation.

Dealing with some cases, the report states that from August 1, 1964, to September 30, 1965, the board received a total of 1,517 applications for compensation, and paid out \$368,552 in 683 cases including 48 cases in which interim awards were made. Members will see that the money actually paid in compensation is not great. When one realizes that the population of the United Kingdom is 50 times that of South Australia, one can see that no great sums would actually be involved in South Australia if our experience were the same as that in the United Kingdom, and there is no reason to suggest it would not be. I rest on what I have said except to refer to an article in the *London Times* of January 20, 1966, which has in it a report of the payments made in Decem-

ber, 1965, and which gives some examples of cases in which that payment was, in fact, made. The report states:

The Criminal Injuries Compensation Board received 193 applications in December, bringing the 1965 total to 2,043. In December, the board paid £39,923 in compensation including £15,731 to applicants in Scotland. This brings the sum since the scheme began to £304,648. . . . Examples of cases dealt with in December were—

and three are listed which I will quote because members will see that the same sort of thing could just as easily happen in South Australia as has happened in the United Kingdom—

Man struck in face by broken bottle during fight in licensed premises in which he took no part; injury resulted in removal of eye; permanent scar on forehead; off work 24 weeks; assailant sentenced to Borstal training. Compensation £2,524, including £324 loss of earnings and expenses. Boy, aged seven, hit in left eye by airgun pellet; eye damaged beyond repair and removed; three boys admonished for wantonly discharging airgun in a public place. Compensation £2,250. Man injured while helping to arrest a man who was being chased after stealing; fractured right tibia and fibula (those are the bones in the lower leg); leg immobilized in plaster case; unfit for work for seven and a half months; assailant convicted of stealing and placed on probation. Compensation £1,150, including £538 loss of earnings.

Those cases on their own, I suggest, are sufficient to underline the importance of making payment of compensation in such circumstances. Incidentally, although the present scheme in the United Kingdom is not a statutory scheme, the present Lord Chancellor (Lord Gardiner) has strongly advocated in the past that the scheme should be given statutory force, and I should think it is likely that it will be given such force in the not distant future. I turn now to New Zealand which is the other example I desire to give. Incidentally, New Zealand has always been in the vanguard of social progress and this is just one other example of this. The New Zealanders have passed an Act (the Criminal Injuries Compensation Act), which was brought in in 1963. In the course of introducing it, the Minister of Justice (Hon. J. R. Harran) said:

Sir, The object of this very important measure is to provide some compensation for innocent people who suffer injury as a result of crimes of violence and for the dependants of those who may be killed in consequence of such crimes. Just as it has long been accepted that employers are responsible under the Workers' Compensation Act for their workers who are injured, even if the employers were not negligent, so this Bill originates in the idea that the State should

accept some responsibility for those who are injured by criminal acts.

The most important parts of the Act itself are sections 17 and 18 to which I desire to refer, and I shall also refer to the schedule in the Act which sets out the crimes for which compensation is payable. The Act is based upon section 17 (1), which provides:

Where any person is injured or killed by any act or omission of any other person (being an act or omission that occurred in New Zealand after the commencement of this Act) which is within the description of any of the offences specified in any of the enactments mentioned in the schedule to this Act, the tribunal in its discretion, on application, may make an order in accordance with this Act for the payment of compensation—

- (a) to or for the benefit of the injured person; or
- (b) where the compensation is in respect of pecuniary loss suffered or expenses incurred, as a result of the victim's injury, by any person responsible for the maintenance of the victim, to that person; or
- (c) where the death of the victim has resulted, to or for the benefit of the victim's dependants or any one or more of them.

I shall not quote subsection (2), but subsection (3), significant and important, provides:

In determining whether to make an order under this section, the tribunal may have regard to all such circumstances as it considers relevant and shall have regard to any behaviour of the victim which directly or indirectly contributed to his injury or death.

Section 18, setting out the nature of compensation, provides:

(1) Compensation may be awarded by the tribunal under this Act in respect of any one or more of the following matters:

- (a) Expenses actually and reasonably incurred as a result of the victim's injury or death;
- (b) Pecuniary loss to the victim as a result of total or partial incapacity for work;
- (c) Pecuniary loss to dependants as a result of the victim's death;
- (d) Other pecuniary loss resulting from the victim's injury, and any expenses which, in the opinion of the tribunal, it is reasonable to incur;
- (e) Pain and suffering of the victim.

(2) No compensation shall be awarded in respect of pain and suffering if the victim—

- (a) is a relative of the offender; or
- (b) was at the time of the injury living with the offender as his wife or her husband or as a member of the offender's household.

The English scheme has no schedule of offences and it would be hard to imagine how there could be a schedule as there is no Act, but

the board has suggested that there should be a schedule drawn up in due course. The New Zealand Act has a schedule, which provides:

Offences to which this Act applies: rape; attempt to commit rape; sexual intercourse with girl under twelve; indecency with girl under twelve; indecent assault on girl between twelve and sixteen; indecent assault on woman or girl; indecent assault on boy; indecent assault on a male; murder; attempt to murder; manslaughter; wounding with intent; injuring with intent; injuring by unlawful act; aggravated wounding or injury; aggravated assault; assault with intent to injure; assault on a child, or by a male on a female; common assault; disabling; discharging firearm or doing dangerous act with intent; acid throwing; poisoning with intent; infecting with disease; endangering transport; abduction of woman or girl; and kidnapping.

These are the sorts of offence that should be covered in any scheme introduced. I do not intend to argue the type of scheme that should be introduced in this State. I am at present concerned with the acceptance of the principle that compensation should be paid, and that the Government should be asked by this House to go ahead as a matter of urgency and do something about it. The detailed points, such as the basis of compensation (that it should be payable only for injury and not for damage to property), whether common law damages should be the basis of assessment or whether some such tariff as that under the Workmen's Compensation Act should be used, the nature of the tribunal (whether it be a separate tribunal or whether assessment should be by the courts)—all these things can, I think, be worked out later on once the principle is accepted and we know that something is going to be done about it.

I am happy to say that I know that on this occasion I will get strong support from the Attorney-General. I sometimes miss his support in matters of this kind, but on this occasion I am confident of getting it, because in 1964, during the Budget debate, the Attorney was kind enough to support the proposals I have made in this regard. This is what he said, at page 1051 of *Hansard* on September 24, 1964:

A matter has been previously raised, I think, by the member for Mitcham, with which I entirely agree; that is, the necessity to provide (as provision is now being made in England) for compensation for victims of crime. This matter has recently been debated in the Commonwealth House and I believe that it is vital that we do something about it here. Many people in the community from time to time are in some way injured, damaged or disadvantaged by crime and it is impossible at civil law to obtain any form of damage or

recompense for what has been done. If we are to introduce such a scheme it must be introduced under the Attorney-General's Department, and soon! As a result of the scheme's implementation in England, great interest has been shown in it in the United States as well as in certain of the Continental countries.

The Attorney-General (the honourable member for Norwood) then went on to elucidate what he had said, and he finished up with this sentence (and I wholeheartedly concur in it):

It is a form of social insurance which Britain has found desirable, and I believe we should start it here as soon as possible.

That was almost two years ago. The ball is now very definitely in the Attorney's court and I hope he will play it as vigorously as he possibly can. Why should South Australia not be a pioneer in a matter which is so obviously worth while? In days gone by this State (this Colony, as it then was) was noteworthy for its pioneering legislation. I personally have put forward a number of matters in the last few years in which I think we could have maintained that record, but in all of them, I think, with the exception of seat belts (I will give this present Government some credit), I have been disappointed, and even with that one we had to wait for a long time for it to come in.

I should like to see this State in the vanguard of social progress again in such matters as the one I have raised this afternoon. Why should we hold back? It is, of course, a matter of priorities. I know that the Government is short of money, but it itself has a number of schemes which will involve a far greater expenditure of money than would such a scheme as this one. I should like to see this scheme given some priority in the light of its obvious merit and the fact that it is a matter of common ground between members on both sides of the House. Even if it is not the desire of the Government to proceed now because it says it cannot afford the money to do it, would it not be possible for a Bill to be introduced into this House and an Act put on the Statute Book and its proclamation (the operation of the Act) delayed until the Government could afford the necessary money, small though this amount would be?

I hope that in view of what I have said, and in view of what the Attorney-General has said in the past on this matter, the Government will do something, as I ask in this motion, and will introduce a Bill on this subject during the present session. I commend the motion to the House.

Mr. FREEBAIRN seconded the motion.

The Hon. D. A. DUNSTAN (Attorney-General): I listened with interest to the honourable member for Mitcham. As I should imagine he would have surmised from the remarks he quoted from my speech in a previous Parliament, as soon as this Government took office I obtained all the material from which he quoted, both from New Zealand and from England, and a certain amount of additional material which I may be able to make available to him. This matter was taken up at the first meeting of the Standing Committee of Attorneys-General after the Labor Government here took office. Not only was I interested in it, but Mr. Downing (the then Attorney-General of New South Wales) and Mr. Fagan (Attorney-General of Tasmania) were also interested.

However, a difficulty has arisen because, although we have repeatedly raised the matter, we have been unable to get any undertaking from the Commonwealth Government as to what it will do about social service payments to victims of crime whom we seek to compensate from State funds. If we can get agreement on this matter, the measure may proceed. However, we are not in the position financially in this State simply to relieve the Commonwealth of its social service obligations. We have repeatedly told the Commonwealth Attorney-General (and we have been joined in this by Liberal Attorneys-General in other States, because Mr. McCaw has now joined the field in wanting to do something in this area) that we would all be prepared to put measures to our Governments as soon as we could get accord with the Commonwealth on the matter. So far, we have had no sort of undertaking and, indeed, very little expression of interest from the Commonwealth in this area. We are in difficulties financially about this, simply because we are continually having placed on this State imposts by the Commonwealth in which it seeks to relieve itself by imposing measures on State revenues. We have seen on several occasions in the past year the Commonwealth Ministers suddenly announcing, without consultation with the States in any way, that they are prepared to make certain grants available provided that the States match the grants.

Mr. Millhouse: You are getting a bit off the subject.

The Hon. D. A. DUNSTAN: No, I am not. We are simply not able to use State revenues to relieve the Commonwealth. However, if the Commonwealth is prepared to make an arrangement on this matter we will

be in it like a shot. The material is all ready, but at the moment we cannot get the Commonwealth to the party on it.

Mr. Lawn: They are Liberals.

The Hon. D. A. DUNSTAN: They are. I invite the honourable member, during the adjournment of this debate, to bring pressure to bear on his Commonwealth colleague on this matter. If he is more successful than I am, I am sure we can agree in this House on the measure. In the meantime, I ask leave to continue my remarks.

Leave granted; debate adjourned.

OMBUDSMAN.

Adjourned debate on the motion of Mr. Millhouse:

That a Select Committee be appointed to inquire into the desirability of establishing in this State the office of Ombudsman.

(Continued from August 24. Page 1297.)

The Hon. D. N. BROOKMAN (Alexandra): This is one occasion (it happens rarely), when I agree with the remarks of the Attorney-General. I do not believe that we need an ombudsman: it is not a desirable action for Parliament to take, and a Select Committee could throw no more light on this matter than could be thrown by references in the library and to literature from all over the world. It seems that the appointment of an ombudsman means that that country is appointing a prophet to sell the idea to other countries that they should also appoint an ombudsman, and it would not be long before there would be an international association with its own rules and constitution. Ombudsmen may rule the world, and there is much substance in that criticism. This appointment would have enormous power: the office may not have direct executive authority to alter anything, but it would be extremely powerful, much more than it should be. An ombudsman is more powerful than any individual member of Parliament.

The appointment of such an officer is of doubtful value, and may possibly do harm. My chief objection to it is that it would involve the abdication by members of Parliament of their privileges and responsibilities. I know that the idea is attractive, because everyone hates official obstinacy and incompetence. When people have trouble with officials they appeal to the public and obtain sympathy without much regard to the merits of the question. We should remember that it is our object as members of Parliament to look after the public in that respect, and that is what we do. Every member handles regularly many

approaches from his constituents; some are political and on policy matters, others deal with trading and business, and others are personal, but every problem of a constituent is of the kind that a member of Parliament must meet. He deals with problems in his own constituency, but there are 39 ombudsmen in this House without counting members of other Parliaments. I have heard it said that the United Kingdom is considering appointing an ombudsman.

Mr. Millhouse: The Auditor-General there has been appointed Ombudsman.

The Hon. D. N. BROOKMAN: That is a nation of about 50,000,000 people, but in its Parliament of 600 members only one can speak at once. We have 39 members and can talk collectively as much as can members of the House of Commons. We can sit for as long as we like and we have no time limit on our speeches. Last year we sat for 83 days, and if we average five hours a day that would be about 400 sitting hours. With 39 members that means an average of more than 10 hours for each member to hold the floor in this House. Some members would take less time, others more, but in this House the gag system has never been used. The work of a member of Parliament dealing with his constituents is rarely debated in this House. Usually, the member takes up most of his problems with various members of the Government, with organizations, or persons in private life, and not all work of a member of Parliament is directly associated with the Ministry. Every member of Parliament takes his part in the legislative programme but, in addition, he has a duty to his electors to deal with their problems, often outside Parliament.

He has the power to bring those problems to the notice of this House, and is protected from laws which, outside the House, would prevent him from saying what he thinks. Within Parliament, members are fully protected and can say what they think about anyone. That is a privilege that we jealously and rightly guard: it is a privilege we rarely use to criticize people not in this place. But a safeguard exists for members of Parliament to be able to say what they think or know in this House, without fear of legal repercussions. Indeed, members of Parliament have occasionally done this and, since I have been in the House, private members' day has often been used for debating the problems of private citizens. I recall several lengthy debates that occurred in connection with people concerned with the wholesale and retail milk industry,

in which their personal problems were dealt with and voted on in the House.

I recall, too, several debates (and I have checked this in the 1950 *Hansard*) that occurred when the then member for Chaffey raised the matter of the planting of trees by a settler at Berri. It was alleged that those trees had been planted without the proper authority; the person concerned had been told that he had to remove the trees, and he was not granted the supply of water necessary to maintain them. The rest of the details of the debate do not concern us here, but the matter was debated (as far as I can ascertain, over a period of 12 months) in three separate debates in the House. No-one could ask for more attention than that. The entire Parliament had the responsibility of apprising itself of the problem, of debating it, and actually voting on it.

That is something that a member of Parliament rightly undertakes to do if it becomes absolutely necessary. However, it is almost always unnecessary to go to such lengths. I have looked briefly at some of the literature (of which there seems to be plenty) on ombudsmen, and the article that took my eye appeared in the *Australian Quarterly* in September, 1964, written by Mrs. N. J. Caiden. I think the supporters of the ombudsman system would be happy to accept almost all of this writer's ideas. The essentials for an ombudsman system advanced by this author were, first, that the officer concerned should be an impartial, independent officer of Parliament. Secondly, he should be assisted by a small staff; thirdly, the investigations should take place almost entirely by correspondence; fourthly, all formal administrative means of redress must have been exhausted; fifthly, the ombudsman must have power (a) to demand any Government document, and (b) to question witnesses under oath; sixth, he is concerned with administration and not policy matters; seventh, his chief sanction is the publicity of his report (he has no power to alter any official decision); and, eighth, the whole process is carried on in an informal, flexible manner, with very little disruption to the department under investigation.

As to the second essential, I do not know how small the staff should be, but the mover of the motion said that this item would not be very expensive. I think that it would cost in New Zealand about £10,000 a year. I suppose when one considers the cost of building such things as primary schools, that sum

is not excessive, although it is certainly significant. An individual case considered may be expensive, and probably pays no account to the cost to which the ombudsman can put other people during the course of his investigations. If an ombudsman suspects that, say, a misdemeanour has occurred, the person concerned may deem it necessary to obtain legal aid. I presume such a system would generate all sort of other costs, quite apart from the actual cost to the State of the ombudsman's salary and the expenses involved. In regard to investigations taking place almost entirely by correspondence, I think that would greatly limit the types of matters to be dealt with by an ombudsman. We, as members of Parliament, know that if we tried to answer constituents' problems only by correspondence and, in addition, insisted that every constituent's approach be by way of correspondence only, we would greatly restrict the range and number of inquiries we received.

Many people are not used to writing about their problems; many more are not capable of presenting problems correctly in writing, or to the best possible advantage. I often include myself in that category, for I think that one sometimes needs the highest professional assistance to put one's grievance or case in writing. If approaches are to be restricted to correspondence, I believe it will immediately take from many citizens the effective right to appeal to an ombudsman if and when they believe they are aggrieved. Often, a member of Parliament has to discuss personally, patiently, over and over again with a constituent, a particular problem before the member himself is able to comprehend its complexity.

The Hon. R. R. Loveday: The constituent does not make any payment, either.

The Hon. D. N. BROOKMAN: No, it is a free service. I assume that the author's view that all formal administrative means of redress must have been exhausted does not include a debate in Parliament. If it means that, after a member of Parliament has taken up a constituent's case, he meets with a Minister's refusal to give the satisfaction being sought, I assume that formal means of redress have been exhausted and that the member or constituent may then go to the ombudsman for his decision. Will a member debate the matter in Parliament before it is referred to the ombudsman, or will the debate occur after the ombudsman has been approached? In either case, I believe no satisfactory way exists in

which the work of an ombudsman can fit into the system under which a member takes an individual problem direct to Parliament. I think the ombudsman would be guarded in approaching a problem if he knew there was the possibility of a Parliamentary debate following his decision. I should think that giving the ombudsman power to demand any Government document was fairly obvious, whether it be a wide or limited power. That is something that private members of Parliament do not have. It is an extremely jealously guarded right. I could agree that private members of Parliament should not have the right of access to Government documents. Certainly, the Minister in charge of the department and the Government have access; however, I doubt whether an individual Minister has much right of access to another Minister's department except by decision of Cabinet. In any case, this right is jealously guarded. Of course, the House has considerable powers in this regard and can exercise them if it wishes. However, it is generally most undesirable that access to Government documents should be lightly granted to anybody. Frequently Ministers make Government documents available, and this is their decision: that is fair enough.

I see no justification for being able to call for these documents. The House and the Government rightly have the power to call for documents but nobody else should have it. If an ombudsman had this power he would have to be extremely careful and would have to be a man of the highest ability, because he would obtain information in those documents (for instance, in cases dealing with private industry) that could do actual harm if it were given out. However, the ombudsman would still have to justify his finding on a case and he might have to do this without giving full reasons. It would not be easy for an outsider, as an ombudsman would be, to know just what was relevant information and what was not. Information given when a Government was dealing with a private industry could appear to be harmless whereas, in fact, it could be important. This is one of the objections I have to the appointment of an ombudsman, but such access is said by Mrs. Caiden to be essential for an ombudsman.

The sixth point made is that an ombudsman is concerned with administration and not with policy matters. Probably that is a worthy aim and would apply correctly in many cases. However, it would be impossible on every occasion for an ombudsman to be completely unconcerned with policy matters because time

and again he would find himself in a position where he had to criticize or imply criticism to policy matters.

Mr. Millhouse: Am I to understand that you are opposing the motion?

The Hon. D. N. BROOKMAN: Yes. I think the honourable member has taken a rather shallow view of this matter for at the moment he is in Opposition and would naturally like to be able to use whatever power he has to oversee the work of the Government.

Mr. Millhouse: Do you think it will be different after the next election?

The Hon. D. N. BROOKMAN: I will not go into that because there are many private members' motions on the Notice Paper, and if we talk about the next election we could be here for hours. I believe the member for Mitcham, in Opposition, has an entirely different view from the view he might have if he were in Government. In this type of democracy a Government should have wide powers to take Executive action, and I believe that an ombudsman with the powers to call for all Government documents would be a serious inroad into that power. Other essentials prescribed for an ombudsman are the chief sanction on the publicity of his report and the fact that he should have no power to alter any official decision. I certainly endorse that, for if he had power to alter a decision it would be undesirable indeed. As I said earlier, he still has tremendous power by reason of the report he gives.

The last requirement for an ombudsman is that the whole process is to be carried on in an informal and flexible manner with very little disruption to the department under investigation. I fully agree with that, but I do not think an ombudsman could inquire into departments without causing a considerable amount of disruption. I believe that the essentials to which I have referred would probably have been approved by the member for Mitcham, and that is why I have discussed them. To me they seem to put the case fairly, but I have said why I object to them.

Mr. Coumbe: How do you stop frivolous applications?

The Hon. D. N. BROOKMAN: They could not be stopped, but I think an ombudsman could weed out the non-frivolous applications. Probably many applications would be made in the first year by people hoping to get free legal assistance.

The Hon. R. R. Loveday: I think the ombudsman makes a charge.

The Hon. D. N. BROOKMAN: That is good, but who pays it—the constituent or the member of Parliament? I think Mrs. Caiden suggested that it would seem that one ombudsman for the whole of Australia would be sufficient because in view of the experience in other countries it might be difficult to find seven men of sufficient stature willing to fill the office. She also said that the successes of ombudsmen had been largely owing to the character and qualities of the men who had occupied the position. I think it would be hard to find a man tough enough to stand up to the seven different organizations represented by the six State Governments and the Commonwealth Government. It is extremely naive to suggest that one ombudsman would be sufficient for Australia, and I doubt whether the mover of the motion would agree with that.

I have pointed out that members of Parliament have a duty to look after the problems of their constituents. Each citizen of this State has 16 members of Parliament to represent him, because there are the Commonwealth and State Parliaments with each citizen having to represent him a House of Assembly member, four Legislative Council members, 10 Senators and one House of Representatives member. Any of those 16 are available for him to appeal to if he has a problem; he can appeal to one or more of them or, in fact, all of them, and that is done. In some instances people may get little satisfaction from their member of Parliament. However, my experience in political life is that every member of Parliament is genuinely anxious to see that his constituents' problems are properly dealt with.

As previously pointed out, a citizen has many people to whom he can appeal for assistance, without any payment, and each of those persons has wide powers of dealing with the problem. Each has the power to raise and to debate a matter in Parliament. In addition, the citizen is protected by all sorts of legislation, both Commonwealth and State. For instance, there is the restrictive trading practices legislation, the fair prices legislation, the Prices Act, and dozens of other laws (including libel laws and such like) which in some way or another protect the citizen. I believe we are a healthy combination in Australia of a free country with generous and adequate means of redress against grievances.

I do not think the mover of the motion will agree with me in this, but I do not think it is fair that public servants should be subjected to inquiries by someone with the power to call

for documents and to question witnesses under oath. We have a democratic system whereby a Minister takes responsibility for the actions of his department, and he is at all times available to be attacked or approached, either privately or ultimately in Parliament, by any member of Parliament in respect of grievances against public servants under his control. Surely that is fair enough. We have a Public Service of which we are all justly proud, for it is as good a Public Service as could be found anywhere, and I believe that we are treating public servants fairly by restricting our public debates to the Houses of Parliament. If we go further and appoint a completely new force in the community, with these wide powers that I have mentioned, it will result in a considerable impairment of the rights of public servants themselves, and that is one added reason why I oppose the motion.

Mr. QUIRKE secured the adjournment of the debate.

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

Returned from the Legislative Council without amendment.

GAS.

Adjourned debate on the motion of the Hon. Sir Thomas Playford:

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,

which Mr. Lawn had moved to amend by striking out "a Select Committee should be appointed" and inserting "the Government should be congratulated upon the action it has already taken in appointing a committee".

(Continued from August 24. Page 1309.)

Mr. HUGHES (Walleroo): Before seeking leave last Wednesday to continue my remarks, I had been referring to statements that had been made by the honourable member for Gumeracha (Hon. Sir Thomas Playford). I had referred to an article that appeared in the press on July 28, and I foreshadowed that I would quote from a special report by the Director of Mines (Mr. Barnes) appearing in the *News* on August 5. That report, headed "Ready to enter the gas age," states:

The next few years will see the birth of a natural gas industry in Australia, and further substantial gas discoveries. We are today in relation to gas where America was 50 years ago, and Canada 20 years ago. Now, more than 30 per cent of America's industrial energy comes from natural gas. It is consumed there at 4.4 billion cubic feet a day, serves more than 35 million American homes in every State except Hawaii, directly employs more than 200,000 people, has a plant investment of \$26,000,000,000 and its pipeline network exceeds 700,000 miles.

Provided Australia's Moomba field develops as hoped we could have in the Moomba-Gidgealpa area gas to satisfy our estimated local market needs for more than 20 years. And history clearly shows that almost invariably market estimates, no matter how carefully done, are on the low side of actual consumption. In 1961, 31,600 American customers used gas costing \$5,700,000,000 and in 1965, 38,000 customers paid \$7,500,000,000 for gas. For the past 20 years, U.S. gas reserves have maintained an average 20 years' life. Extra supplies have always been found to cope with increased consumption.

That is exactly what will happen in this State. We have enough gas now, we are told, to satisfy us for 20 to 25 years, so I say that we have no worries because, while the gas that we have in hand is being used, other worthwhile finds will be made. Therefore, I commend Mr. Barnes for mentioning that in his special report, which continues:

Substantial quantities of Canadian gas are piped to some American States. Anti-smog laws have been tightened in many States. In several cities it is compulsory to burn gas instead of other fuels. One of the most intensive exploration areas is off-shore in the Gulf of Mexico, where exploration and production are now taking place in 250ft. of water, against 150ft. depth on my 1961 visit. Because of the number of producing fields here, it has been necessary to define shipping lanes and prevent exploration in them.

There is a great deal of interesting research going on. In one laboratory we saw synthetic rubber from natural gas, claimed to be substantially superior to natural rubber, and almost doubling the life of tyres. We also saw very attractive garments woven from fibres prepared from a natural gas base, which were undergoing severe testing.

I listened to an address by Professor Rudd on natural gas in the Wallaroo Town Hall. In his speech he said that he was having dinner with some Japanese and the various things made from natural gas were referred to. One Japanese took off a shoe, put it on the table, and said that it was a product of natural gas. The professor said it was a good product and only required a rubbing with a damp cloth to clean it. Mr. Barnes's special report continues:

The industry itself demanded rationalization and control. So we see gas privately owned and transmitted and distributed by private enterprise, but in every State there is a Government board or commission which exercises control over matters such as tariff and quality. Where interstate pipelines are involved, the Federal Power Commission regulates transmission and fixes prices for gas. The gas industry is considered a public utility, and regulatory control by Governments, including tariffs, is accepted as necessary in the public interest.

It has been discussed whether the Government should build the pipeline from Gidgealpa to Adelaide or whether this should be done by private enterprise. A report of the Gallup poll, taken on this aspect on August 20, states:

Control of Natural Gas Sales.—Australians are inclined to think that State Governments should pipe natural gas to the cities and sell it, the Gallup poll finds. After mentioning that natural gas has been discovered in several States, interviewers asked people: "In your opinion, who should pipe that natural gas to the cities and sell it—the State Government or companies?" The 2,070 men and women interviewed throughout Australia answered:

Government 48 per cent.

Companies 31 per cent.

Jointly 8 per cent.

No opinion 13 per cent.

Most of those without opinions on this subject are women. Men answered: Governments 52 per cent, companies 34 per cent, jointly 8 per cent, no opinion 6 per cent. Australian Labor Party voters are more than 2-to-1 for the State Governments' piping and selling natural gas. Liberal and Country League Party voters are inclined to agree with them, and answered: Government 42 per cent, companies 38 per cent, jointly 9 per cent, no opinion 11 per cent. In Victoria and South Australia—the States where natural gas is now available for piping—majorities of 60 per cent and 55 per cent favour their State Governments doing it.

It is clear that it is not only people who support the Labor Party who maintain that the Government should have priority in this but the majority opinion of Liberal and Country League supporters think so too. There should be no doubt that this pipeline should be built by the State Government. Mr. Barnes's report continues:

In Canada, oil and gas are owned by the Crown, but production, transportation, and distribution are done by private companies. There are big reserves in Alberta, with substantial discoveries in the past five years. British Columbia, too, is finding substantial quantities of gas, and Saskatchewan likewise. Total Government revenue in Alberta from oil and gas mineral rights reached a record in 1965 of \$245,000,000. The most dramatic developments in gas have occurred in the past five years in Holland. In 1961 they had nothing much to show me. This time we visited a huge gas field in the north-eastern corner of Holland.

Proven reserves are 40,000,000,000,000 feet. Having ear-marked half of this gas for Holland's own use for the next 30 years, the balance is to be exported all over Europe. Contracts have been entered into with Belgium, France, Germany, and Switzerland. Gas from Holland will play a major role in the industrial future of Europe, and will probably close a number of coal mines.

No doubt when the pipeline comes from Gidgealpa to Adelaide we will have an exciting time in the distribution of gas in this State. This will be a small undertaking compared with those in other parts of the world. After reading from the special report of the Director of Mines on the provision of natural gas mains and the achievements of other countries through research, it is extremely important that South Australia, which by the standards of other States is deficient in natural resources, should develop and use its own deposits of natural gas. Also, this Government is to be congratulated on the research, for which it has been responsible, in proving that the necessary reserves of gas for about 20 to 25 years justify a pipeline from Gidgealpa to Adelaide. The Government is aware of benefits to be derived from natural gas as a fuel and as a raw material, hence the Premier's prompt action with the Commonwealth Government immediately on his return from overseas.

There was no need for the motion of the member for Gumeracha. It was obvious to all concerned that the Government had the investigations into a pipeline well in hand, which was proved by the member for Adelaide only last Wednesday week, when he moved an amendment seeking to congratulate the Government on its action in appointing a committee. Attempts have been made by members of the Opposition to discredit the Government in its endeavour to plan a pipeline from Gidgealpa to Adelaide. I am told that the Opposition would not be guilty of that, but I shall prove that it is guilty of it, and I shall leave no doubt about it any member's mind. Such an attempt was made by a member in another place, during a visit to the South-East, when he addressed the annual conference of the Victoria Electorate Committee of the Liberal and Country League.

Mr. Rodda: He was in good company!

Mr. HUGHES: I presume that he was, if he were in the company of the member for Victoria, but I should hate to think that the member for Victoria would stoop to such political tactics as his colleague did on this occasion. I do not know whether I shall be able to convince the honourable member of that, or

whether he was actually present on that occasion.

The Hon. D. N. Brookman: Was it a vile attempt to remove the Government?

Mr. HUGHES: That is exactly what it was, and the honourable member is being very honest about it. I have known the member for Victoria since he came into the House; he is quite a likeable chap, but I should hate to think that he would stoop to such political tactics as did one of his colleagues on the occasion to which I shall now refer. The following article appears in the press, dated at Penola, July 11, and headed "Future 'in Jeopardy'":

The South Australian Government's gross mishandling of the Treasury had put the State's future in jeopardy, Mr. Kemp, M.L.C., said today. The Government's insistence on trying to win favour with its dwindling number of supporters by spending money it did not have meant that it had lost forever the opportunity of 18 months ago to build economically a \$40,000,000 pipeline from Gidgealpa gas field to Adelaide.

Mr. Clark: He'll be proved wrong once more, too.

The Hon. G. A. Bywaters: He should have been talking about apples; he knows more about that.

Mr. HUGHES: The article continues:

Mr. Kemp, who was speaking at the annual conference of the Victoria Electorate Committee of the L.C.L., said the Commonwealth Bank had then been prepared to lend the Government \$28,000,000 at 6 per cent. "Now after spending a record Budget for a record deficit there just isn't the security," he said. The Government was now considering buying gas from Victoria's off-shore wells.

Mr. Clark: That just wasn't true.

Mr. HUGHES: Of course it was not. The article continues:

"Sir Thomas Playford's plan was to complete the pipeline to coincide with the opening of the new Torrens Island powerhouse, the only way in which the use of gas in Adelaide's metropolitan area could have been an economic proposition from the start," Mr. Kemp said.

I commend Sir Thomas for having that in mind.

The Hon. Sir Thomas Playford: Hear, hear!

Mr. HUGHES: But he may not think I am commending him later on.

Mr. Rodda: Are you softening him up?

Mr. Clark: He takes a certain amount of softening up.

Mr. HUGHES: Despite the fact that we give credit to Sir Thomas this afternoon, the Labor Party also has ideas about bringing gas to Adelaide by a certain date. It may

surprise honourable members opposite (including the member who made this statement in the South-East) that the project is intended to coincide with the opening of a certain power station. The Premier, denying the allegations that had been made, said:

I do not think any worse approach than that made by the representative of another place could be made on a matter so important to the State. If the member of another place wanted to make a statement on these matters, he should at least have had his facts clear. I regret that the public of the State should have been misled by this statement. The Government does not intend to buy gas from Victoria. No more damaging statement could appear in the press anywhere than the statement that appeared in this morning's *Advertiser*. At present, the Government is going to no end of trouble to present a case to the Commonwealth Government, and we hope that we will prevail on that Government to agree to contribute to the financing of this pipeline. Many problems are associated with this matter. We must have a reasonable rate of consumption to make it an economic proposition. The State already has ample gas deposits, without further drilling, to supply it for 20 to 25 years. It is beyond reason for a statement like this to appear in the press and mislead the public.

I appeal to the sense of loyalty of members of this House, of the press, of the Australian Broadcasting Commission, and of any other body interested in this State, to definitely contradict such a statement, because the Government does not intend to buy gas from Victoria. We intend to follow a course that will convince the Commonwealth Government that it should make a loan available to this State so that we can go ahead with our plans to provide natural gas from Gidgealpa-Moomba to Adelaide.

However, we now find a motion to set up a committee to investigate ways and means of bringing a gas pipeline from Gidgealpa to Adelaide. The member for Gumeracha knew only too well what this Government had done about the venture. I think the Premier's reply to the unfounded allegations of Mr. Kemp left no doubt in anyone's mind that it was never the intention of this Government to buy gas from Victoria. It was the lowest bit of political propaganda that I have ever heard of. To say the least, it was worse than crook: it was rotten! It goes to show that certain people who have been entrusted with responsible positions are prepared to sell their own State for political gain, and yet we are told that bringing natural gas to Adelaide is beyond Party politics.

Before going to the South-East to address the Liberal and Country League conference, the same member of another place, when speaking about a pipeline from Gidgealpa to Adelaide, said that nothing definite had been

brought forward by the Labor Party to indicate that it even appreciated the true position. At present, he said, it seemed to be doing nothing but talking about the problem. That was a most unfair statement because immediately the Labor Government was elected in 1965, the Minister of Mines visited Gidgealpa.

The Premier and all Ministers had contact with the deputy directors and managements of Delhi-Australia Petroleum Limited, and Santos and with representatives of the French company interested in the exploration of these areas of the State. Cabinet members were addressed by the companies' senior geologist and informed of the plans the companies had formulated to continue their search for natural gas in South Australia, particularly of their efforts to find more gas to augment the reserve already found in the Gidgealpa area. On that occasion, the representatives of the companies thanked Cabinet for the opportunity of being able to put their plan before it in a way that had never before been afforded them. Because of its confidence in the ultimate further discoveries, one of the Government's earliest actions on taking office was to appoint Bechtel Pacific Corporation to undertake a study of the feasibility of constructing a pipeline from the Gidgealpa area to Adelaide. Also included in the terms of reference of this company was a study of alternative sources of gas such as Mereenie and Gilmore. This study showed that a pipeline from the Gidgealpa area was economically attractive provided that sufficient reserves could be established.

The Minister of Mines and the Premier visited Mereenie and Palm Valley to investigate the possibility of bringing gas from the area. Simultaneously with the appointment of Bechtel Pacific Corporation, the Government further exemplified its confidence in the outcome of the continuing exploration for gas by appointing to the staff of the Mines Department a pipeline engineer. After he had worked with the Bechtel company in its project, the Government sent him to the United States of America and Canada for three months' intensive study and training. Within a few days of returning to Australia in June of this year, the Premier submitted to the Commonwealth Government a proposal under which the Commonwealth Government would make sums available to enable the pipeline project to proceed. I could say more about what the Government has done, and yet we were told by a member of another place that nothing definite had been

brought forward by the Labor Party to indicate that it even appreciated the true position and that it seemed to be doing nothing but talking about the problem. That gentleman went on to say that it was possible that the opportunity had already been lost to the State and that, if it had not, it seemed to be quickly vanishing.

Perhaps that statement is the reason that an advertisement of the South Australian Gas Company soliciting money for a loan still appears in the press. Usually, when the South Australian Gas Company is promoting a loan, within an hour or so the various banks throughout the State receive telegrams telling them that the loan is filled. Of course, the people of the State lose confidence when they hear ridiculous statements such as that made by the member of another place. What else could be expected? The South Australian Gas Company intends to use a certain sum from the loan it is raising for planning in connection with natural gas from Gidgealpa to Adelaide. Its prospectus states:

The South Australian Gas Company is preparing for an important era of development in this State—the introduction of natural gas—by retaining the services of an international engineering organization (Bechtel Pacific Corporation), to plan the distribution of natural gas and eventual conversion of the entire gas system to natural gas.

The South Australian Gas Company has plenty of confidence in the Government. However, when we hear the ridiculous statements made by the member of another place it shows why the company's loan is still advertised in the local press.

Mr. Coumbe: What is the closing date on the prospectus?

Mr. HUGHES: That does not matter. The point I make is that the South Australian Gas Company has such a good name that in the past, when it launched loans, they were filled within an hour or two. On one occasion I went to the bank and soon after 10 o'clock on that morning a telegram came to the bank stating that the company's loan was filled, and that was the first day on which the loan was available. I was all right because I had made a prior booking. However, on this occasion the position is apparently different. Surely the loan has not been filled because the advertisements are still appearing in the press. I maintain that is because of the damaging statements made by the member of another place that the loan has not been filled. Much of what the member of another place said appeared in the *Sunday Mail* on the weekend

following his statements. Two of the comments I heard in relation to this article were:

Apparently the then Leader of the Opposition was using this person as a mouthpiece to discredit the Government in the eyes of the public; and wouldn't any of his colleagues in the Assembly do it for him?

I do not think any honourable member opposite was prepared to play along and be the mouthpiece, hence it fell on the shoulders of the member of another place. Judging by the report of what he said at Penola, he certainly showed that he was not averse to misrepresenting the truth.

If the member for Gumeracha had the progress of this State at heart, then, irrespective of what Party occupied the Government benches, why did he not inform the Premier immediately after the Government took office that he had arranged with the Governor of the Reserve Bank to make available \$28,000,000 to build a pipeline for natural gas? That is the question I pose this afternoon. Why keep it a secret for 18 months and then trot it out as a political stunt? Perhaps he can be excused for not wanting to treat the Premier courteously, but to withhold information at the expense of the State's economy is another thing, and that is exactly what happened on this occasion.

Although the member for Gumeracha tries to make out that when he was Premier he was very courteous to the then Leader of the Opposition by keeping him well informed of what was taking place regarding natural gas, he did not inform the present Premier at any stage of the \$28,000,000 that was to be made available by the Reserve Bank for the building of a pipeline from Gidgealpa to Adelaide. Because I was interested to find out whether the member for Gumeracha had been as courteous to the Premier as he would like us to believe, I directed a question to the Premier on July 14. The question I asked (at page 484 of *Hansard*) was as follows:

Since the present session began, some questions have been asked of the Premier by the former Leader of the Opposition whether the Premier will make available to the House the Bechtel Pacific Gas Corporation report in regard to natural gas resources in South Australia so that the report can be printed and then debated by Parliament. The insistence by the former Leader in asking these questions indicated that he would like the House to believe that, if he were Premier, information on any action to ensure the construction of the pipeline would be made available to the House. Will the Premier say whether, 18

months ago, the then Premier made available to him any information regarding talks he had had with the Governor of the Reserve Bank, Dr. Coombs, regarding money to be made available to build a pipeline from Gidgealpa to Adelaide as was reported in the *Sunday Mail* of last weekend when it was claimed by a member of another place that Sir Thomas had given him permission to use information that had not been published previously?

The Premier replied:

I do not know of any discussions that either I or the member for Gumeracha had when he was Treasurer of the State on matters associated with the financial aspect of Gidgealpa or the gas pipeline. I am not in a position to know whether the member for Gumeracha gave to a member of another place permission to disclose certain information in the Council: that is a matter for the member for Gumeracha.

I ask the House to take particular note of that. The Premier's reply concluded:

I say definitely that the honourable member and I did not have any discussion concerning the financial proposals associated with Gidgealpa or the suggested pipeline during that period.

I think that puts the record straight about whether or not the Premier was informed of the arrangement supposed to have been made by the member for Gumeracha and the Governor of the Reserve Bank. No-one would be more pleased than I to know that a satisfactory arrangement had been arrived at whereby a pipeline could be built from Gidgealpa. I make that statement this afternoon because I am vitally interested in this pipeline, for we are hoping that at some time in the future a spur line will be taken from the main line to Wallaroo. A syndicate from America has purchased about 1,000 acres of land at Wallaroo at a cost of about \$120,000. Those people invested in this proposal because it is hoped that if the pipeline eventually reached Wallaroo (and I sincerely hope that the Government in its wisdom will provide for that) a petro-chemical works could be built in that area. This would not only be of tremendous assistance to the area but it would be doing something for decentralization.

People throughout the Wallaroo area are interested in this project. A couple of weeks ago I received a telephone call from a local resident asking me whether I would discuss with the Premier an idea he had that a loan could be launched in our own State to which people could subscribe and thus assist in the building of this pipeline. The person who approached me knew that the whole amount could not be procured in that way, but he thought the people of this State had such great confidence

in the Government's ability to proceed with this pipeline that he was of the opinion that the people of this State would be very happy to put some money into this loan at a very low rate of interest to assist the State. That shows without doubt that the people of this State have great confidence in the Government in arranging the finance for this pipeline. I commend the people of this State for the confidence they have. I say again that because of the confidence being displayed everywhere there is no need for this motion.

I referred earlier to the possible establishment of a petro-chemical works. Such an industry could be a great asset not only to my district but to the State in general. I was interested to read in the *Current Affairs Bulletin* about the various things that could be made from natural gas, and in this respect it is worth quoting the opening remarks of an Australian geologist, I think he was. That person said:

Discoveries of large deposits of natural gas at widely separate places in the past few years have presented Australia with an important new indigenous source of primary energy. The large-scale exploitation of some of these deposits seems to lie in the distant future, while in the case of others soon to be developed, it poses political and financial problems of some magnitude. But there is no doubt that in the long run the nation will benefit greatly from the birth and growth of an industry which, at least initially, is a by-product of the search for crude oil.

Further on the writer said:

Natural gas differs from manufactured gas not only in chemical composition but, more importantly, in calorific value and range of uses. Its calorific value is usually between 950 and 1,150 British thermal units per cubic foot, compared with 450-600 for towns gas. Its high methane content makes it a suitable raw material for the manufacture of various chemicals—

from the information I could get from the representative of the syndicate who visited Wallaroo in my company, I assume that that is what is proposed there—

especially ammonia. Whether any particular deposit of natural gas is tapped for use as fuel or as a chemical "feedstock", or both, depends primarily on economic factors. It is interesting to note that the first large-scale use of natural gas in Australia will be directed towards the manufacture of ammonia-derived nitrogenous fertilizers such as urea, ammonium nitrate, ammonium sulphate and aqueous ammonia. The reason why this is preceding the first major project to develop natural gas as a fuel will be seen later. The range of chemicals other than ammonia for which natural gas can be the

source is very wide indeed. It includes carbon black, methanol, chloroform, carbon, tetrachloride, formaldehyde, acetylene and, in certain cases, what is perhaps the most versatile chemical "building block" of all, ethylene. The number of end-products which can be made from these substances runs into hundreds, and extends from plastics, synthetic rubber and textile fibres to refrigerants, explosives, solvents, medicines, paints, inks and detergents.

This was confirmed by Professor Rudd at his lecture at Wallaroo. Since it has been known that we are likely to have gas piped from Gidgealpa to Adelaide, several addresses have been given, some of which have been printed in the *Journal of Industry*. The journal states:

Components of natural gas also provide the basic materials for a wide range of synthetics. Foremost amongst these are, plastics, fibres, detergents, rubber, resins and fertilizers. Chemical products from natural gas include hydrogen, carbon black, ammonia, methanol, nitric acid, cyanide, ammonium nitrate, acetylene, urea, formaldehyde and many others. Major uses of natural gas then are first, utilities distributing gas for residential and commercial use; secondly, industries requiring large supplies of heat as electricity generation, and the manufacture of steel, cement bricks and other clay products, glass and paper; and thirdly, petrochemical and fertilizer industries requiring gas as a raw material as well as fuel.

If the money can be procured, and it can be, at an interest suitable to the Government, natural gas will revolutionize industries in South Australia. I know that people are watching this State, and as soon as a satisfactory supply of gas is available at a reasonable price much investment will be made in this State. I hope that a large investment will be made in the Wallaroo district. Negotiations have taken place in preparation for this, and I do not believe that anyone would throw away \$120,000 for nothing. These people must have great confidence not only in South Australia but in the Government that is administering its affairs today. Because of that, I oppose the motion and support the amendment moved by the member for Adelaide.

Mr. COURCE (Torrens): This motion seeks to have prompt action taken to construct the gas pipeline from Gidgealpa to Adelaide. This is not an occasion for a full-scale debate on the efficiency or virtues of natural gas, because this aspect will be thrashed out when the legislation enabling the pipeline to be built is introduced. We should be debating the building of the pipeline, the operative word in the motion being

"expedite". I believe that all members of this House want this pipeline built as quickly as possible, and if they believe that this should be expedited they should support the motion. The member for Flinders gave an extremely well-reasoned speech including much detail that he gleaned during his oversea study tour on which he studied the latest development of natural gas in North America and on the Continent, and emphasized the urgency of this matter. Apparently, when the member for Adelaide spoke he could not see the urgency of this motion. He seemed complacent at the speed of the negotiations, so much so that he moved an amendment approving of the snail's pace of their progress.

Mr. Ryan: Your motion makes it slower.

Mr. COURCE: The member for Adelaide first made slighting remarks about the former Premier, attempting to indicate that no progress was made at the time when he was negotiating. How wrong he was. It is recorded in *Hansard* that Sir Thomas Playford, when Premier, had commenced preparatory talks about finance with the Commonwealth Bank. Yet nearly 18 months later we are no further advanced physically, except that an application has been made for financial assistance from the Commonwealth Government. No physical change in this project has occurred in the last 18 months except that we know now that there are greater reserves of gas at Gidgealpa and Moomba than were discovered originally.

Mr. Ryan: Isn't that important?

Mr. COURCE: That is extremely important. I point out that 18 months ago all the feasibility studies and examinations into the capacity of industry to use this product had been carried out, so that the only thing concerning the building of the pipeline that has changed physically is the fact that we now know that we have greater reserves. The longer the matter is delayed, of course, the more expensive the pipeline will become. The member for Adelaide (Mr. Lawn) read a report that was obviously prepared for him, stating what the Government was supposed to be doing.

Mr. Ryan: I think his speech must have struck you.

Mr. COURCE: We have all been wondering why the member for Adelaide spoke.

Mr. Freebairn: He is one of the big guns of the Government Party.

Mr. COURCE: The member for Adelaide read this report with great care and diligence.

The Hon. D. N. Brookman: It was the No. 1 handout!

Mr. CUMBE: Obviously, the body of the honourable member's speech was prepared for him, because the wording and phraseology was so much at variance with the honourable member's usual flowing and fiery style.

Mr. Ryan: Aren't you giving him any credit for ability?

Mr. CUMBE: I am giving him full marks, but I am still wondering why he spoke. This is rather important, because no doubt existed that he was referring to a report, although he went to some trouble on at least two occasions to deny that it was a report.

Mr. Ryan: Did he say it was a report?

Mr. CUMBE: He said that in reply to my interjections.

Mr. Clark: Surely, you are not saying he is untruthful.

Mr. CUMBE: I am trying to ascertain what the member for Adelaide was trying to say.

Mr. Ryan: Be careful, now.

Mr. CUMBE: I am trying to keep within Standing Orders and not to reflect on the Chair in any way.

Mr. Clark: You are just calling him a liar.

Mr. CUMBE: I do not think that is worthy of the honourable member.

Mr. Clark: You are just doubting his veracity.

Mr. CUMBE: I am trying to find out what the member for Adelaide meant. When he spoke to the motion on August 17 I asked him by way of interjection (at page 1148 of *Hansard*) from whose report he was quoting. The member for Adelaide said:

It is the report of the committee appointed by the Government (including the people I have mentioned, together with representatives of the Mines Department and the Electricity Trust).

Later, I asked, "Who are the members of the committee?" to which the honourable member replied:

Representatives of the oil interests, together with representatives of the Electricity Trust and the Mines Department, and the Under-Treasurer.

Later again, I interjected, and *Hansard* states:

Mr. Coumbe: Will you make the report from which you have just read available to the Opposition?

Mr. LAWN: I have not read from any report.

Mr. Coumbe: It sounded like it.

I then went on to say, "But you said you were reading from the report of a committee." *Hansard* then records the following:

Mr. LAWN: I did not. When am I supposed to have said that?

Mr. Coumbe: In reply to my earlier interjection.

Then, the member for Alexandra having interjected, *Hansard* states:

The Hon. D. N. Brookman: Who prepared your speech?

Mr. LAWN: It was prepared on behalf of the Government. That is a stupid interjection. It is obvious that, as a rank and file member of the Government Party, I would not have access to the information I gave to the House this afternoon.

So, we see that it was a report, although the member for Adelaide was not quite sure whether he was quoting from a report or not. On the same page of *Hansard* the honourable member said:

When the data—

and he was referring to the Bechtel company's report which I have asked several times in the House to be tabled, but have not yet received—is available, approaches will be made to the Commonwealth Government for financial assistance to establish a pipeline. I cannot even hazard a guess where we will go from there.

Then, the member for Adelaide proceeded to move his amendment to this motion. That amendment refers to a committee and, if we look carefully at the honourable member's speech, we see that he refers to a committee and to certain organizations. But they do not appear to be the same in every instance. It seems to be a rather nebulous and unnamed body of various representatives of some organizations concerned in the future of natural gas. I should say they were representatives of some people who were interested in the matter, but they are certainly not representatives of every interested party. Are these the best representatives to advise the Government on financing the pipeline? After all, that is one of the most important points we have to consider at the moment. Are the representatives of the oil companies the best to advise the Government on financing the pipeline? Is the Electricity Trust? I am not quite sure in my own mind, and yet the amendment seeks to congratulate the Government on setting up a committee. Is this the best committee to expedite the building of this pipeline? Personally, I have some doubts that it is, and yet we are supposed to support the honourable member's amendment. Having spoken on this matter in the House previously, I shall quote once again remarks made by the Director of Mines in his annual report, which states:

The matter is considered urgent for two reasons: (1) to see whether this State can attract any of the new industries which develop around competitively priced natural

gas; and (2) to assist in resolving the Electricity Trust of South Australia's dilemma whether it should budget to use natural gas at the Torrens Island power station, or not. The Director leaves us in no doubt that this matter is urgent. Let us examine the machinery provisions necessary to proceed with this pipeline and to be considered by the House: first, a new Bill has to be drawn, after the Government has instructed its draftsmen to proceed with the Bill. I suggest that it will be an extremely complex piece of legislation that will require much study by the draftsmen and the Government's advisers. It will certainly involve much time and considerable delay, because I think a Bill of this nature will be extremely difficult to draw. As the legislation will be one of the most important and far-reaching measures ever to be considered by Parliament, involving South Australia's industrial future for many years, I think its passage through both houses of Parliament will be somewhat protracted. Indeed, it should be in one way, because the Bill will be of such importance that it should be the duty and obligation of every member of this House to scrutinize carefully every clause in it. The financing of this pipeline may require the introduction of a hybrid Bill. Other organizations besides those in this State may be involved in the financing and implementation of the scheme, and a hybrid Bill will have to be referred to a Select Committee in any case. Further, unless it is expressly excluded from the Bill's provisions, this scheme may have to be referred to the Public Works Committee.

Mr. Clark: That's the likeliest thing you've said so far; I wouldn't agree with some of the other things you've said.

Mr. CUMBE: I was only quoting what the member for Adelaide said.

Mr. Clark: I thought you might have been.

Mr. CUMBE: I am aware of some of the negotiations that have taken place recently between both the previous and the present Governments and the producers of gas at Moomba and Gidgealpa. I have met the consultants of the companies and the likely distributors and consumers of the product, so I will not enter into any debate today on this matter, except to urge as strongly as I can that the construction of the pipeline be undertaken as rapidly as possible.

Some members know of the progress that has been made in Victoria. I have kept myself informed about what is happening there in relation to off-shore drilling. In negotiations between the Esso-B.H.P. group and the

Gas and Fuel Corporation, the Government instrumentality there, a definite stalemate has now been developed over the rates and prices to be paid by the corporation on behalf of the Government and over the prices of gas "at the city gate". These negotiations are completely bogged down at the moment. They have been proceeding for some time and they have been enumerated by the members for Adelaide and Wallaroo. Surveys have been undertaken since about January, 1964. Therefore, I am at a loss to understand why the Government does not arrange for enabling legislation to be proceeded with. I am sure all members agree that this type of legislation is of great importance to the whole of South Australia. It is the type of legislation that we should bring into the House at the first opportunity. Surely this type of development is far more important than Bills and motions introduced for lotteries, a Totalizator Agency Board system of off-course betting, and dog racing. I urge the Government to get on with a Bill for this purpose and bring it into the House.

Negotiations have taken place and the Government has received reports from its consultant (Bechtel Pacific Corporation) for some time since the original report, of which I still do not have a copy although I have asked for it often. If I were a member of the Victorian or Queensland Parliaments, I would have obtained reports on similar matters from those places. The urgency of the matter we are discussing is emphasized by the surveys that the Government has received from its advisers. Also, I believe that finance is available to build the pipeline, although I do not know how successful the State will be in getting money from the Commonwealth Government. If it can, all the better. However, money is available to build the pipeline, although I cannot say at what rate it is available. We know, however, that it is possible to build the pipeline by January 1, 1969. There is no doubt that this can be achieved. What the House should be considering is legislation to enable the pipeline to be built; I say categorically that we should be expediting the building of the pipeline. The amendment to the motion, which seeks praise of the Government, is a complete red herring. We should set up a Select Committee now; this may have to be done in any case as eventually we may have to have a hybrid Bill. A Select Committee should be appointed to expedite the building of a pipeline, a project that would have the complete support of all members.

Mr. CASEY secured the adjournment of the debate.

PUBLIC ACCOUNTS COMMITTEE.

Adjourned debate on the motion of Mr. Nankivell.

(For wording of motion, see page 704.)

(Continued from August 10. Page 972.)

Mr. FREEBAIRN (Light): I support the motion moved on July 27 by the member for Albert, which was subsequently dealt with by the member for Stirling. I admit that until this afternoon I thought that specific mention of a public accounts committee was made in the *Australian Labor Party Constitution and General Rules*. However, I perused my copy of this booklet and no reference is made to a public accounts committee in the index. Therefore I take it that the subject is not dealt with in the booklet, although it is the established policy of members opposite to have a public accounts committee. I wish to deal with some of the background of such a committee and I hope this will be of interest to members. A public accounts committee was first recognized by Statute and first appeared in the Standing Orders of the House of Commons as long ago as 1862. In 1866, William Ewart Gladstone made one of his famous speeches in which he discussed the vital importance to the British system of a public accounts committee. I shall quote from *Hansard* of March 1, 1866, when Gladstone, who was then Chancellor of the Exchequer, stated—

The Hon. R. R. Loveday: Why quote Gladstone?

Mr. FREEBAIRN: I know the Minister of Education is interested in Gladstone's speeches. When I was speaking on a Bill a fortnight ago the Minister asked me, by way of interjection, what Gladstone said in 1866. It was not relevant to the Bill then being discussed, but it is most relevant to this one. The words Gladstone used when speaking on the Exchequer and Audit Departments Bill in 1866 are historic ones; they have been quoted many times, and no doubt they will be quoted many more times in the future. He said:

When the House voted money it parted with it for certain and it then passed under the control of the financial department of the Treasury, and was distributed amongst various organs of the State all over the world. The accounts were then made out and sent permanently to the Board of Audit; but the last portion of the circle remained incomplete until the Committee of Public Accounts had

done its duty. It was not till then that it could fairly be said that the office of the House, as the real authoritative steward of public moneys, had been discharged.

We find in that speech that Gladstone is talking about the complete circle of Parliamentary responsibility. I was interested in reading on to note what a subsequent speaker had to say on that Bill. Sir George Bowyer said:

In the whole system the great difficulty which had struck the committee on public moneys was this. There was a control over the issue, but when the money was issued there was no control at all; so that between the issue and the audit the Treasury could do just what it pleased with the money. The control over the issue was a constitutional control; and the control by the Audit an administrative control.

I think that gives the germ of the idea of the real need for a public accounts committee. Although Mr. Gladstone received international credit for establishing a public accounts committee, in actual fact (I understand) he got the idea from the Canadians. The Public Accounts Committee in the British House of Commons is still one of the most active and responsible committees that the British Parliament has. Perhaps I could even say that it is one of the most active and responsible committees in any Parliamentary system in the world.

I would suggest that the principal role of a public accounts committee is to ensure that money voted by Parliament is properly spent. In practical terms, the Executive instructs the public servants, and a public accounts committee surely will see that the Executive is more inclined to spend money with a measure of probity and rectitude than it would if it were known that there would be no oversight of final expenditure. I think an examination of the Public Accounts Committee in the British scene is worth spending a few moments upon. The British Public Accounts Committee considers matters brought to its notice by the Comptroller and Auditor-General. He has the rather grandiose title of "The Comptroller of the Receipts and Loans of Her Majesty's Exchequer and Auditor-General of the Public Accounts". In actual practice, he works very closely with the Clerk of the House of Commons and the Chairman of the Public Accounts Committee. It is their role, and the role of the Auditor-General, to ensure that irregularities in accounts are brought to light. There is no doubt that the Public Accounts Committee in the British scene has done this, and it has

been recognized publicly for services rendered to the British Parliament.

In the South Australian scene we are dealing with financial matters on a very much smaller scale. However, in the British scene the annual Budget is many times greater than our Budget here in South Australia, and it is just not physically possible for Ministers of the Crown to maintain such a careful and close watch on departmental expenditures. Even though our South Australian Budget is small, we found in the debate last week on the Loan Estimates that our Treasurer was unable to answer questions in this House on expenditure for which he, as Treasurer, had given authority.

Mr. Millhouse: He could not answer even the simplest questions.

Mr. FREEBAIRN: That is so. How much more difficult would it be in the British scene where the scale of expenditure is so very much greater?

Mr. Quirke: What about the American system?

Mr. FREEBAIRN: That system is very different from ours, because the members of the Executive are outside the Legislature. There the Legislature and the Executive are in two clearly defined and clearly separated departments. I believe there is a Public Accounts Committee of Congress, but I must say that I have done very little research work on that aspect. The Auditor-General in the British scene is, I suppose, by Civil Service standards, a unique individual. He is appointed for life by the Crown and, like a judge, he can be discharged only by a resolution of both Houses.

Mr. Clark: I understand the British Auditor-General is going to be their ombudsman.

Mr. Millhouse: He has already been appointed.

Mr. FREEBAIRN: Yes, that is so. He has under his control a staff of 600 civil servants of professional standing. He has a whole army of other civil servants as well. I strongly support the idea of a public accounts committee, which I think can do a very worthwhile job. When we consider the enormity of the British Budget, where the Auditor-General is responsible for the auditing of £800,000,000 sterling of accounts each year, plus another £6,500,000,000 sterling of inland revenue—

The Hon. R. R. Loveday: You have called them "bureaucrats".

Mr. FREEBAIRN: I have never referred to them that way; I have a very high regard for civil servants.

The Hon. R. R. Loveday: I have heard the term used by members opposite.

Mr. FREEBAIRN: I do not doubt that if the present Ministry took more notice of its public servants it would do rather better than it is doing at the present time. The interesting thing about the Public Accounts Committee in the British scene is that it is a small body—15 members taken from both sides of the House. However, the most distinctive feature (and this is what I know will appeal to members opposite) is that the Chairman is a senior member of the Opposition. It is interesting to know that the present Prime Minister of Great Britain earned some of the public recognition that he now enjoys from his activities as Chairman of the Public Accounts Committee. He used information that he gained as Chairman against his Party in the House of Commons and even against one of his former Ministers (Mr. Gaitskell), and he did not hesitate to use his post as Chairman of that committee to attack civil servants and Parliamentarians. I do not know whether he was responsible for exposing the Ferranti scandal, but that was a worthwhile contribution of the committee. *Anatomy of Britain Today*, written by Anthony Sampson, states:

Much of the Auditor-General's job is dull and routine, like that of any company auditor, but from time to time a large scandal is unearthed in Audit House. Soon after Sir Edmund took over, he discovered from the Inland Revenue accounts the practice of "hobby farmers"—rich men who evaded taxes by running expensive farms at a loss—and his report produced an uproar, and new regulations to prevent the evasion. Then in 1964, he exhumed from the books of the Ministry of Aviation the extraordinary discrepancy in the contract with Ferranti Ltd. for producing Bloodhound missiles—a contract which, it turned out, enabled Ferranti's to make a profit of £5,400,000, or 113 per cent on the capital employed. Sir Edmund's initial report was taken up by the Public Accounts Committee under Douglas Houghton, M.P., who questioned Sir Richard Way, the permanent secretary of the Ministry of Aviation, and Sebastian de Ferranti, the chairman of the company. One of the Committee, Cledwyn Hughes, M.P. questioned Sir Richard about the system of contracts.

I hope members opposite are listening to this.

Mr. Clark: How can you expect us to?

Mr. FREEBAIRN: This part of the extract is much to the point. The extract continues:

"You are in no position to say to the Committee this afternoon that there are not similar cases?" "I am in no position," answered Sir Richard, "to say that I am sure that there are no similar cases."

The writer then describes the public scandal that this affair created. On the British scene this committee has been of real worth. Not the least important contribution that such a committee would render in this State would be to give back-benchers on both sides (particularly Government members) a chance to do some worthwhile practical financial research, something which they do not have the opportunity to do now.

The Hon. D. N. BROOKMAN (Alexandra): I oppose the motion. I am conscious of the amusement caused by the fact that one member on this side has supported the motion but now I oppose it. The member for Port Adelaide finds this amusing.

Mr. Ryan: I do.

The Hon. D. N. BROOKMAN: Apparently, it is incredible in the side of politics that he is on, and it seems like a fairyland to him, to see a division of opinion expressed in Parliament within the same party. I shall be interested to see what happens when Government members are asked to vote on this motion, particularly as they have declined to comment on it. I hope the Government opposes the motion as that will help me defeat it. It would be a most peculiar record of political inconsistency if the Government took that attitude, because Government members have supported this motion in the past.

Mr. Clark: Have advocated it!

The Hon. D. N. BROOKMAN: Not only advocated it, but have voted for it. A few years ago, during a long debate, Government members voted in favour of an almost identical motion moved by the late Mr. O'Halloran, then Leader of the Opposition. On the division on the motion, the "Aye" voters were Messrs. Bywaters, Clark, Corcoran, Dunstan, Hughes, Hutchens, Jennings, Lawn, Loveday, McKee, O'Halloran (teller), Ralston, Riches, Ryan, Stott, Frank Walsh, and Fred Walsh. The "No" voters were Messrs. Brookman, Coumbe, Dunnage, Hall, Hambour, Harding, Heaslip, Hincks, Jenkins, King, Laucke, Millhouse, Nankivell, Pattinson and Pearson, Sir Thomas Playford (teller), Messrs. Quirke, Shannon and Mrs. Steele.

The Hon. G. A. Bywaters: You don't think changing sides in the House would make any difference?

Mr. Clark: Was the motion the same?

The Hon. D. N. BROOKMAN: It was pretty close. It was a motion for a public accounts committee.

Mr. Clark: It may be wise to check it.

The Hon. D. N. BROOKMAN: I shall leave that to the member for Gawler because, undoubtedly, he will have to explain this.

Mr. Clark: Explain what?

The Hon. D. N. BROOKMAN: What I am saying. The record states: "Aye—Mr. Tapping; No—Mr. Bockelberg; majority of two for the Noes; motion thus negatived." The member for Gawler asks what explanation he will be expected to give. I expect that he or someone on the Government side will explain why the Government has not already expressed an opinion on this motion. I was waiting to hear whether a Government member, as is usual, would care to debate the motion but, as nobody came forward or seemed to be anxious to express an opinion, I said that I would speak, and followed the member for Light. As far as I recall, I am the only one to speak against the motion. We have not yet heard the Government's position, although I think it is time we were told. We are usually told about these things; members do not usually care to leave their attitudes in obscurity until the end of a debate. In fact, they are often anxious to proclaim their stand, even before a measure may reach the House.

However, on this occasion we have received no statement from the Government side. I hope that Government members will oppose the motion, and so assist me to defeat it. The terms of the motion are almost a copy of those on which the Commonwealth Public Accounts Committee is established. We all value our system of democracy; we appreciate its virtues that far outweigh its disadvantages. However, it has real disadvantages in spite of that. We appreciate the individual freedom that a democracy bestows on us, although we realize that that freedom also allows the freedom to criticize, which can impede the process of Government. Basically, a democracy requires a choice of our Parliamentary representatives. Secondly, we desire a well established Government, as well as a well established Opposition, both of which are just as essential as is the choice of the representative. Finally, we desire a free press.

Valuing those things, we do not desire to lose them, but an examination of our freedom will reveal that some disadvantages are very real, if it becomes possible to impede the processes of Government. Under our set-up, it is the Government's job to govern. Having won an election, and obtained a majority on the Government benches, the Administration should be allowed to proceed with its programme, the only people authorized to criticize being the

Opposition. I do not wish to see a new force established in the form of a public accounts committee, although it would greatly strengthen the Opposition's hand. By the same token, such a move would politically weaken the hand of the Government. Those of us who lived through the 1930's recall the distressing period when the Western democracies were under severe strain, compared to the dictatorships. Week by week the Western democracies lost ground to the dictatorships which, up to a point, were far more efficient in coping with the circumstances than were the democracies. The dictatorships had the initiative during those years, one of the major reasons being that they did not have to disclose their internal discussions, disagreements or methods; they did not have to outline programmes publicly.

Being able to run their countries from a position of silent strength, those dictatorships held the initiative right through the 1930's, their weakness eventually being that they failed to realize the strength and resolution of the Western democracies. They seriously misjudged us; without a free press and a democratic way of life, they misjudged the strength of will of the British people in particular; they completely under-estimated the United States, and seemed to ignore the strength and purpose of other countries throughout the world. Their advantages over us in those days were partly brought about by the weaknesses in our system that allowed for public discussion and everything that goes with our free press. All our methods were exposed. However, it is absolutely essential that we tolerate that disadvantage if we wish to continue our free and democratic system. I am not anxious to weaken our democracy by introducing a new force into the country's Government. I should like to see a Government, an Opposition and a free press, but not a new force in the form of a public accounts committee with the wide powers virtually of a Royal Commission.

Whenever we set up an authority, we tend somewhat to think in terms of an authority to control; indeed that is how the public accounts committee originated. Let us remember that a public accounts committee cannot take positive action, but only negative action in the form of criticism. The committee could impede progress and considerably delay governmental processes. It could certainly expose inefficiency, but could it cure it? I doubt whether it could. Although a public accounts committee could obviously do a little good,

would the disadvantages outweigh its usefulness? I believe a public accounts committee will do more to stultify the initiative of the Public Service than will any other action that we take. South Australia's Public Service is noted for its efficiency, and we wish to keep it that way. Everybody in the House admires our Public Service, which in no way suffers by comparison with any other Public Service in the Commonwealth, in spite of the fact that public accounts committees exist in most other States. Our Public Service is at least as good as any other. We praise its members for their efficiency and fairmindedness. Under our system the Minister is responsible for the actions of public servants in his department: he is responsible to members of Parliament for their mistakes. That is the right way. I do not think it is fair to ask our public servants to come forward and to be interrogated by what amounts to a Royal Commission in the form of a public accounts committee. Public servants could be called at the wish of the committee. The committee could pick and choose, investigating which matters it liked. It could certainly not investigate everything. I believe it would serve only to stultify its initiative in that way. Under our system, if a department fails, the Minister gets into trouble because he finds himself in difficulty in Parliament immediately.

Consequently, the loyalty and personal pride of public servants is a strong stimulus to them to do their best for their Minister, which they do irrespective of which Party is in Government. All members will acknowledge that. Attacks made on a Minister in Parliament, even though they may not be attacks on public servants, embarrass these people. Public servants have sufficient to spur them on now without our introducing this extremely powerful and permanent committee which would be, in effect, a Royal Commission. Although I do not suggest that it would necessarily be used in this way, public servants could be pulled before it and bullied and insulted. This Parliament does not agree with that type of approach and I sincerely believe that this applies to members of both sides of the House. Although there will be no intention for the powers of this committee to be misused, we cannot account for the personal opinions of members of the committee in the future. A member of the committee might have "a bee in his bonnet" about some matter and he would be quite empowered to bully or hector public servants doing a job in a way of which he might not approve.

Unfortunately, I cannot obtain minutes of evidence of the Commonwealth Public Accounts Committee. I do not think it is wrong to have a Commonwealth committee. However, an entirely different situation prevails in that the Commonwealth Government deals with departments spread over a continent of 2,000 by 1,500 miles. This is a huge, sprawling network and the Commonwealth Public Accounts Committee may well be justified. I do not say that it is or that it is not, but I do not particularly criticize its establishment. Nevertheless, I should like to be able to read the minutes of evidence of some of its inquiries because I have briefly glanced at some of the reports made by the committee, which are extremely critical of the various departments. I have noted the following words and phrases used in reports: procrastination; misleading accounting; lack of initiative; window dressing; ignorance; bad judgment; over-optimism; wild inaccuracy; unlawful; serious breakdown in administrative machinery; gross errors; and serious delays. All those words and phrases appear in the various reports of the Commonwealth committee and our public servants could be subjected to similar criticism if a committee were established here. I do not know whether or not the Commonwealth public servants deserved this criticism. I do not want to see such a committee in this State because its establishment would not be merited. I ask leave to continue my remarks.

Leave granted; debate adjourned.

DEPARTMENT OF DEVELOPMENT.

Adjourned debate on the motion of Mr. Coumbe:

That in the opinion of this House the work of the Premier's Department in attracting new industries to this State has been ineffective, and that as a matter of urgency, and with a view to providing more energetic and vigorous promotion of industrial expansion and the exploitation of the natural resources of the State, a Department of Development, to be the sole responsibility of a Minister be set up without delay,

which Mr. Hughes had moved to amend by leaving out all the words after the word "State" first occurring and inserting in lieu thereof the words "and promoting the expansion of existing industry is worthy of approbation".

(Continued from August 3. Page 850.)

The Hon. G. G. PEARSON (Flinders): I thank the House for the opportunity to continue my remarks. When I concluded on the last occasion, I was noting that the member for

Wallaroo (Mr. Hughes) had made an enthusiastic speech on this motion. I said he had changed the tone of his remarks somewhat and shown a different attitude in this matter from that which he displayed when speaking on such matters while he was a member of the Opposition. I do not mind that, because I think I understand. I also understand the honourable member's enthusiasm for what he claims the Government has done for the promotion of industries since it took office. However, somehow I do not agree with him and I do not think he would expect me to. He is now in a favoured position to know what is going on with regard to the promotion of industry, and possibly he knows more about these matters than I do. However, if he does, then he did not give a lot of concrete examples when he spoke on this motion. I was a little amused at his amendment to the motion, which was designed to change it from one of criticism of the Government to one of praise.

I believe there is concern in the House at present about the state of the economy. This concern unfortunately derives from what is obviously a slowing down in the tempo of development. When I returned recently, after having been away for some time, I was somewhat disturbed to hear people, who I think would normally be ardent supporters of the Government, make quite uninhibited comments. I am referring to taxi drivers and other people who did not know who I was. I asked them how business was and how things were going. This was sufficient preamble to encourage them to make strong statements about what appeared to be happening. I found that the building industry had slowed down substantially. I do not want to go into the reasons for that, but they are varied, and they stem somewhat, I think, from the fact that money is tight. People are not investing in this kind of enterprise as freely as they did. The house-building programme has slowed down; the figures that I get regularly from the statistics section indicate that this is true and, indeed, the people involved in the building industry have had trenchant remarks to make about this aspect.

After many years of development of our industries in this State we are at present seeing a slowing down in this rate of development. The previous Premier (and I think nobody will attempt to take away from him the credit for this) during his term of office built this State from a position of dependence on primary industries to a position where it could rely not only upon primary industries but upon a very

versatile and active secondary industrial complex as well. This, of course, has developed this State in every dimension from one of mendicancy to a condition of independence regarding its overall production.

We have evidence before us now in the late afternoon's press that suggests that for some reason or another things are not going particularly well. The previous Premier put in much hard work and was intensely active in this State in attracting industries here, and it was this that enabled us to take from the oversea influx of migrants a higher percentage of people than that taken by any other State. Unfortunately, we have fallen from that position of pre-eminence. Western Australia is fortunate in that it has recently uncovered very extensive and valuable mineral deposits. When I toured around The Strand in London and visited the various Agent-Generals' offices I found that outside Western Australia House there was a notice to the effect that the Agent-General was able to guarantee to prospective migrants immediate employment when they reached Western Australia. To my knowledge, Western Australia is the only State that is at present able to do this. However, it is significant, and it puts South Australia at least in second place, if not in a lower category (probably third place) regarding our developmental programme in private industry and public activities in this State.

In this afternoon's press another very disturbing element is introduced into this picture. The report on the front page, headed "GM-H put off 385", states:

General Motors-Holden's today retrenched 385 workers in South Australia. These are believed to include 300 at the Elizabeth plant and 85 at Woodville. It is also believed that other GM-H workers have lost their jobs in other States.

Probably it would be unfair to suggest that this retrenchment is directly and wholly the responsibility of the State Government, and I do not suggest that. However, I say it is unfortunately part of the general picture in this State. I do not know, in the light of all these things, what the member for Wallaroo has in his mind to be so enthusiastic about. Recently we have been discussing here the programme of Loan works in this State. I may not, I know, refer at any length to that debate, but I mentioned it in passing. During that time the Opposition drew attention to the fact that funds had been diverted from the normal Loan activity in this State to other purposes, for instance, to pay the State housekeeping accounts and

to pay for activities which normally are (and which always have been) paid for on an annual basis by the use of Budget moneys but which now are to be paid for out of the Loan account. I think the total sum involved there is about \$4,600,000.

Apart from that, it seems to me obvious that people are not coming to South Australia now with money in their pockets and with plans for development of their plants the same as they were three or four years ago. This is a hard fact of our situation today. I believe that much of the responsibility must rest with the present Government. People are not so sure of the safety of their investment, and they are not so certain that under the aegis of a Socialist Government they can, with as much confidence as heretofore, come into this State and set up costly activities, either as extensions to their present scheme of things or in the nature of new enterprises.

The House, of course, is acutely aware of the effect of what we call "confidence" in this matter. I believe that confidence in South Australia has deteriorated, and that is one of the prime reasons why we moved this motion to bring these matters before the House and before the public. We believe that this is indeed a serious matter. In view of all the circumstances, I should like (if the Government would agree) to say a little more about this later. There is a good reason for this: the member for Mitcham has some important matters before the House which he desires to conclude today. Although I know that I am seeking this privilege for a second time, I ask leave to further continue my remarks.

Leave granted; debate adjourned.

LAW OF PROPERTY ACT AMENDMENT BILL.

Second reading.

Mr. MILLHOUSE (Mitcham): I move:

That this Bill be now read a second time.

Its purpose is to allow minors who are over the age of 18 years to enter into valid and enforceable contracts for the purpose of obtaining loan moneys from certain institutions and thus enable them to purchase or erect a dwellinghouse for their own occupation. Although it is not widely known among members of the public, under the existing law it is possible for any minor to become the registered proprietor of real estate. His or her parent or guardian may accept a transfer of land on the minor's behalf, and thereupon a title will issue in the name of the minor but showing his or her date of birth. No attempt

is made in this Bill to change this procedure which, I think, is a good one in that before any minor enters into a contract involving the purchase of land the parent or guardian must be consulted and, in fact, acquiesce in the acquisition by signing on behalf of the minor.

However, once a minor has become the registered proprietor of any land, he can do nothing with it until he attains the age of 21 years. He cannot mortgage or encumber it or transfer it without first obtaining leave to do so from the Supreme Court. Such applications to the court have to be made through a next friend (who must be a person of full age), and a trustee must be appointed for the purpose of actually carrying out any specific transaction that may be authorized by the court. The process of obtaining these kinds of orders from the Supreme Court is both time-consuming and costly, and is one reason why some married minors feel very hamstrung in their efforts to obtain a dwellinghouse.

In 1965, according to the official figures, there were 1,260 males and 3,250 females in South Australia who married between the ages of 18 and 21 years. If one compares these numbers with those in the next age group shown in the statistics (the age group from 21 to 24 years) one sees that they are in the case of males one-third of the older age group and in the case of females they actually exceed the older age group by 207. Thus, there are more women marrying under 21 than between 21 and 24 years of age.

I think it will be seen from these statistics that it is now a permanent feature of our social life that marriages are taking place at much earlier ages than was customarily the case. All these young people are potential house purchasers, as they undoubtedly get married with the idea of setting up a home for themselves at the earliest possible opportunity. Most of them continue to work, and their combined and separate incomes are usually high enough to enable them to meet the customary long-term mortgage payments for an average sized dwellinghouse. However, if both parties to the marriage are minors, they cannot borrow from lending institutions because of the lack of contractual capacity. Even if the husband is over 21 and the wife is still a minor, it means (if the husband contracts for a loan) that she cannot become a jointly registered proprietor with him in the dwellinghouse until she attains the age of 21. It is, again, a costly matter for the husband to transfer a half share to his wife after she becomes 21.

I turn now to the subject matter of the Bill, which is drawn on somewhat similar lines to legislation passed by the Victorian Parliament in 1965. It adds a new section 24a to the Law of Property Act and provides that, notwithstanding anything contrary contained in any rule of common law or equity, an infant over the age of 18 years may enter into contracts with certain authorities named in the Bill, and such contracts shall be as valid and binding on the infant for all purposes as if the infant were of full age at the time when entered into by him.

The authorities mentioned in the Bill can be broadly described as lending institutions that normally advance money on first mortgage at standard rates of interest. They are the State Bank of South Australia, the South Australian Housing Trust, the institutions and societies named in the Homes Act (which include the Savings Bank of South Australia, the Superannuation Fund and friendly societies), and all building societies and associations registered under the Industrial and Provident Societies Act. Banks and assurance companies are also included in the institutions named in the Bill. It does not limit loans to first mortgage advances but, in most instances, the institutions referred to in the Bill (with the exception of the South Australian Housing Trust) do not make advances except on first mortgage. In addition to validating such mortgage loans, the Bill also makes provision for valid and effectual contracts to be entered into by minors over the age of 18 years with a building contractor for the purchase or erection of a home.

In the case of moneys advanced by certain of the institutions named in the Bill (namely, friendly societies, building societies and industrial and provident societies) loans need not be limited to the purchase or erection of a dwellinghouse. Some of these institutions or societies make small personal loans only to their members, and it is considered desirable that if a minor over the age of 18 years is a member of such a society, and thus making contributions thereto, he should be able to contract with the society for a small personal loan for any purpose. The Bill caters for a real need in the community, and contains sufficient safeguards in its provisions so that it can be only of benefit to minors over the age of 18 years and not involve in any financial transactions that would not be wise or prudent for them to enter into.

This Bill originated in another place, and I am glad to have the opportunity to move the

second reading in this House. It lowers the age at which persons may do certain things, which is in line with another Bill which we introduced in this House last year and which was accepted after some hesitation by the Upper House. It is refreshing that the Upper House has now passed a Bill giving persons over the age of 18 years certain rights they did not have before.

The Hon. D. A. DUNSTAN (Attorney-General): The second reading explanation was made at such a rate that I almost moved for time to consider it, but members on this side, unlike members in another place on another measure, have done their homework. We are aware of what happened in another place in respect of the Bill now before the House and are satisfied with the explanation. As the Bill is in accordance with Government policy, we support the second reading.

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

PUBLIC PURPOSES LOAN BILL.

Returned from the Legislative Council without amendment.

[Sitting suspended from 5.58 to 7.45 p.m.]

ESTIMATES OF EXPENDITURE.

His Excellency the Governor, by message, recommended the House of Assembly to make appropriation of the several sums for all the purposes set forth in the Estimates of Expenditure by the Government for expenditure during the year ending June 30, 1967.

Referred to Committee of Supply.

THE BUDGET.

In Committee of Supply.

The Hon. FRANK WALSH (Premier and Treasurer): In presenting the Budget this evening, I do so at a time when the unemployment position in South Australia has taken a marked downward turn. Neither the Government nor the Parliament can be held responsible for the sudden downward trend which has taken place even today and which is most regrettable and perturbing to the Government.

It is my privilege now to give an account of the financial affairs of the Government of this State during the past year, to lay before the House the expenditure plans and revenue proposals for the current year, and then to seek the approval of members for those plans and for the measures necessary to carry them into effect. In earlier statements I have disclosed the principal figures setting out the financial results of the year which ended on

June 30, 1966. That year opened with a surplus in Consolidated Revenue Account of \$1,222,000 and a small deficit of \$59,000 in Loan Account. From that net credit of \$1,163,000 the finances moved to an aggregate deficit of \$8,077,000 on June 30, 1966. This was made up of a net shortage on Consolidated Revenue Account of \$5,612,000 and a shortage on Loan Account of \$2,465,000. For the year 1965-66 aggregate expenditures on Revenue Account were \$243,650,000, or about 8½ per cent more than in the previous year, and aggregate revenues were \$236,816,000, or about 6½ per cent more than in the previous year. Expenditures showed a small excess of \$614,000, or about ¼ per cent above estimate, whilst revenues fell short of estimate by \$3,138,000 or by 1.3 per cent. The substantial reason for the deficit was accordingly the shortfall of revenues.

A number of causes contributed to the shortfall of revenues last year. On the local scene the grain harvest was considerably less than in recent years. The yield of all grains was 64,500,000 bushels as compared with 87,500,000 and 88,700,000 bushels in the two preceding seasons. This materially reduced rail and harbours revenues directly, and at the same time contributed to reduced economic activity in the State through the reduced buying power of the rural community. At the same time the serious drought elsewhere, particularly in New South Wales and Queensland, caused a marked recession in those of our industries which depend heavily upon the Australia-wide market. The motor vehicle industry, the consumer durables industry, and the heavy engineering industries, which make up so large a part of the South Australian industrial structure, are particularly vulnerable to reduced buying in the main Australian markets. These factors combined with the earlier deflationary policy of the Commonwealth, the very meagre increase in Loan allocations for State expenditures last year, and possibly some oversea influences, to produce a marked slowing down in economic activity. The resultant reduction in overtime worked and some increase in unemployment also contributed to a further reduction in activity. There is some evidence, too, that the adoption of decimal currency may have contributed to reduced activity. This was noticeable in betting turnovers and in the clothing trade. It was inevitable that the combination of these factors should lead to a reduction in Government revenues below normal expectation, particularly in the public utilities, and also in those taxes and revenues

which vary with business activity and with the volume of expenditure by the public.

The Government revenues for last year were in certain categories rather lower than estimate because some financial measures were opposed in another place. As a consequence the duty on receipts was reduced, and the Government is proposing action this session which will restore this particular revenue to its previous level, though with more extensive exemptions than formerly. The refusal of the measures on succession duties and for the control of road competition with railways meant the absence of revenues which were anticipated late in 1965-66, and which may have resulted in some \$500,000 last year. These measures were designed to secure respectively some \$1,500,000 and \$2,000,000 in revenues in the current year 1966-67. The absence of these revenues in the current year has seriously delayed the time when it will be practicable to bring the Consolidated Revenue Account back into balance. I shall have more to say on succession duties later when dealing with the financial proposals for the current year. Respecting the means to deal with road competition with railways, members will be aware that the Government has referred the matter to a Royal Commission for investigation and report. Unfortunately such an inquiry must take a considerable time, and any remedial measures to increase the revenues of the railways and place them in a competitive position comparable with the railways of other States cannot be effective this financial year.

I have gone to some lengths in describing the recent and present circumstances under which the State finances have been conducted, because these are substantially the circumstances under which the 1966-67 Budget has had to be planned. Whilst there are some small signs of improvement in economic activity, it is still at a level appreciably below that to which the State has latterly been accustomed. The local rural outlook is very good, with only small areas of prospective difficulty. However, the outlook in New South Wales and Queensland, while improved, is by no means good, and recovery there will in any case be slow. It is too early to measure the possible effects of the Commonwealth Budget upon the economy. The recent increase in the basic wage and other award increases may be expected to give some impetus in activity generally, but, of course, the meeting of these increased awards for Government employees places additional heavy financial responsibilities upon the

Treasury. It is estimated that the additional \$2 per week basic wage will add to the State Budget in a full year about \$4,700,000. For the current year it would be about \$4,600,000. These estimates include allowances for its effect through overtime and other "penalty" payments, for pay-roll tax, and for the increased grants and support necessary for various hospitals, institutions, utilities, and authorities which are supported from the Budget. A further \$1,000,000 or so a year would fall upon other Government accounts outside the Budget, and in particular the Loan works and the Highways Fund, as a result of the basic wage increase.

It is expected that the special grant from the Commonwealth will be increased in 1966-67 by about \$6,500,000 to \$92,966,000. This is in accordance with the formula accepted by the Commonwealth and the States in June, 1965, which provides for variations in accordance with increased State population, with increases in average wages throughout Australia, and to the extent of a further 1.2 per cent per annum. There have been suggestions that the States would have been better off had they accepted an alternative formula offered by the Commonwealth, which would have reduced the time lag in implementing the measured wage changes. These suggestions are not correct. It is possible, though as yet by no means certain, that the States would have been entitled under the alternative formula to receive in 1966-67 a rather larger increase than in fact they will receive. However, they received in 1965-66 a significantly greater amount than the alternative offered to them, and in the aggregate, if not in each separate year, the States can expect more from the formula actually accepted.

Because of the reduced economic activity throughout Australia which has reduced the revenues and increased the expenditure obligations of all States, and because of the added impact of basic wage and other awards, all States of Australia this year face very difficult budgetary problems. I have asked the Prime Minister for reconsideration of the extent of Commonwealth financial assistance to the States generally, and I believe that each of the other States which has not the benefit of Commonwealth Grants Commission recommendations has done or will shortly do likewise. However, it is necessary that the 1966-67 Budget which is now to be considered be compiled upon the basis of revenues and expenditures without the expectation of such additional assistance.

In compiling the proposed expenditures for 1966-67, the Government has, of course, taken

into account the recent basic wage increase and all other awards already made. It has not made any forecast of prospective awards. It has continued to provide for service pay to Government employees at a present cost to Revenue Account of about \$1,600,000 a year, as promised at election time and endorsed by the electors. It is providing this year, in accordance with policy endorsed by the electors, the first instalment of the five-year programme of equal pay to female Government employees for equal work, and this will cost \$340,000 this year. Moreover, provision is made this year for the commencement of the free books scheme for children in primary schools. This will be undertaken as a matter of election policy, and the cost this year is estimated at \$560,000. Having examined all expenditures proposed for the various departments and services for 1966-67, and reduced them in all cases where possible consistent with efficiency and proper service, the aggregate has been determined at \$258,018,000. This is exclusive of \$6,400,000 of gross expenditure for building grants for non-Government hospitals and for certain tertiary education institutions which are being charged to Loan Account as announced in the Loan Budget some three weeks ago. Allowing for the latter figure so as to compare like with like, this is an increase of about 8½ per cent in expenditures, or about \$21,000,000 above 1965-66 expenditures.

A calculation of prospective revenues for the current year, without alteration of taxes, rates, and charges from those in force at the commencement of the year, has indicated a total revenue of about \$249,677,000, or \$8,341,000 short of the minimum expenditures deemed necessary. In the light of the deficits already accumulated, and the prospect of further unavoidable expenditures as the year proceeds arising out of wage awards and the like, the Government has decided upon revenue measures which I will now discuss.

As the House is already aware, I expect an additional \$2,100,000 this year from land tax. New rates have been proposed in a Bill already accepted by Parliament, and these are lower than rates which applied last year. In particular, they are 36 per cent lower for the valuations below \$50,000. However, because new valuation levels now apply and these are significantly higher than hitherto, an increased revenue of \$2,100,000 is expected beyond what would have been available at 1965-66 rates upon the previous valuations. The yield at the new rates may be a little higher per

head of population than the yield currently secured on average in the five other Australian States. However, if Queensland is excluded from the latter average on the reasonable basis that a very high proportion of its land is exempted from tax as Crown leasehold land (from which the Crown secures comparable revenues by rent rather than tax), the average yield per head in the other States will be rather higher than is proposed in this State. The Government felt bound to introduce this particular legislation in anticipation of the Budget, because it was without any statutory taxing authority for the current year, and delay would have caused serious administrative difficulties in securing full revenue collections during the current year.

The Government has felt bound, though reluctantly, to contemplate increases in railway freights and fares. It had hoped, by appropriate legislation based on common practice in other States and elsewhere, to give reasonable protection to the railways against road competition sufficient to permit an improved result of at least \$2,000,000 a year. It had hoped to have those arrangements fully operative this financial year. In this it has been thwarted and has as an alternative, appointed a Royal Commission to inquire into the matter. The railways have in recent years, because of uncontrolled competition, been forced to lower many of their charges and to operate at a heavy loss. The South Australian rail charges for virtually all traffic are the lowest of any State in Australia. The Government has already taken action to authorize, from September 1, 1966, an increase in grain rates by an average of about one-sixth, and even then the local grain rates will be lower than in every other State, except for some of the long mileages in Western Australia. It is proposed, as from a month or so from now, to authorize increases in certain other rail freights which are not subject to such competition as to render the increases impracticable, and also to authorize fare increases. On average, metropolitan fares will increase by 15 per cent, country fares by 10 per cent, and freights on manures, livestock, parcels and certain general merchandise by 10 per cent. These increases, including the increases on grains (but excluding any increases under special contracts which have arisen automatically out of the basic wage increase or otherwise), will be about \$1,240,000 this year, and about \$1,550,000 in a full year. Having made these increases, the South Australian rail freights

will still be generally the lowest in Australia, and rail fares will remain clearly lower than the average of other States.

At the same time as increasing rail fares the Government proposes to authorize some increase in tram and bus fares. These will be restricted to section fares and other charges which were not increased in the adjustment in August, 1965. It is expected that these increases will involve nearly \$275,000 this year and about \$375,000 in a full year. The increase in tram and bus fares, with adjustments recently made or contemplated in other States, will leave South Australian fares well below those in Melbourne, and broadly in line with the average in all States. The revenues derived by the Tramways Trust will not directly augment this Budget, but will for the time being avoid the necessity of an increased subsidy from the Budget toward the trust's losses.

The South Australian stamp duties on conveyances and upon hire-purchase and money-lenders' contracts are at present \$2 for each \$200. In other States the rates are significantly higher. It is proposed to bring these duties into line with those in other States by appropriate increases, which it is expected will bring about \$900,000 extra revenues this year and \$1,350,000 in a full year.

The liquor licences in South Australia are at present assessed at the rate of 3 per cent on the wholesale cost of purchases during the previous year, whereas the rate is 6 per cent in all other States except in Western Australia, where it is 5½ per cent. Early action is proposed to bring South Australian rates up to 5 per cent. The new rates will be proposed to operate in the 1967 licensing year, and the expected additional revenue is \$375,000 in the current financial year and about \$750,000 in the first year of full operation.

An examination is being made of certain relatively minor fees which have not been adjusted in accordance with increases in costs of services in recent years. Not all of these have yet been fully examined, but it is proposed to revise certain shop and factory registration fees so as to yield an additional \$30,000 this year and about \$45,000 in a full year. It is expected that other fees adjustments may increase revenues by a further \$30,000 this year.

Last session legislative proposals were submitted to revise the provisions for succession duties, with two principal objectives. The first was to give effect to the policy of exempting a succession to a widow when the amount

does not exceed \$12,000. This compares with the \$9,000 exemption at present applicable. The second objective was to close certain gaps in the Statute whereby an increasing volume of avoidance had latterly been experienced, and at the same time to raise revenues more nearly comparable with those raised by estate duties in other States. The legislation was rejected in another place. The Government regards this legislation so seriously that it proposes to re-submit it in the present session with a number of amendments. These amendments will give some further benefits to smaller successions in deserving circumstances, and at the same time will include measures designed more adequately to protect from avoidance the fair and proper revenues of the State. The practice of avoidance, which is progressively becoming more extensive, is of course only practicable to persons with substantial property, and is particularly effective with the larger estates. Larger estates, with the method of estate duty assessment in other States, now contribute very much more to revenues in those States than do similar large estates in South Australia. The Government would be most reluctant to abandon the traditional South Australian method (succession duty assessment rather than estate duty assessment) but, unless it is able to close the present avenues of avoidance under the succession duty system, it will be forced to consider adopting the method of levying duty upon estates which is adopted elsewhere. Acceptance of the legislation which the Government proposes will not give substantial increases in revenue this financial year, as there will be a considerable lapse of time before amended legislation can actually affect revenues. It is tentatively estimated that a net \$250,000 extra revenue may be received this year, but the subsequent increases and the protection against subsequent avoidance of duty will be very much greater than this.

Two Bills have recently been introduced into Parliament which it is expected will affect the revenues of the State. These are the Bills authorizing the operations of a Totalizator Agency Board and the institution of a State lottery. Both of these will ultimately bring significant revenues, probably eventually in excess of \$1,000,000 each annually, and the revenues will be utilized to assist directly hospitals and comparable institutions. The revenues so distributed will be in addition to the volume of funds hitherto provided for hospitals from Consolidated Revenue Account,

and they will not be used to reduce the existing rate of provisions from Revenue, although they will of necessity help to relieve the pressures for increased provisions from Revenue for such purposes in the future. The intention is that appropriations to distribute the moneys from the special Hospitals Fund shall be submitted to Parliament annually. Upon the expectation that about \$100,000 may be available from the Hospitals Fund from these sources late in 1966-67, the Estimates propose that \$50,000 shall go to the Adelaide Children's Hospital, \$25,000 to the Home for Incurables, and \$25,000 to Minda Home.

The relationship between the Highways Fund and normal Treasury finance has recently given the Government some concern. As members will recall, an arrangement was made with the Commonwealth for the five years from 1959-60 to 1963-64 under which certain matching grants were made by the Commonwealth together with certain fixed grants for road purposes. The objective was to ensure an adequate, regular and increasing volume of funds for road purposes. That arrangement was subsequently renewed and extended for five years from 1964-65 to 1968-69. The previous Government, with the full co-operation of my Party when in Opposition, adopted a policy of ensuring that the agreed targets were met by the provision of supplementary funds from the Treasury additional to the statutory diversion of net road taxes and charges levied by the State. As a result of the availability of more extensive State revenues to the Highways Fund in recent years, the fund has latterly had available to it amounts well in excess of the targets agreed by the Commonwealth and the State to secure full matching. Accordingly, in 1964-65 and in 1965-66 the Government arranged, under powers given by section 31a of the Highways Act, for the fund to repay to the Treasury amounts of \$600,000 and \$640,000 of advances made earlier by the Treasury to the fund. Even after making those repayments, the Highways Fund retained moneys for expenditure on roads about \$700,000 and \$1,140,000 respectively in excess of amounts required to secure the maximum Commonwealth matching grants. Without comparable diversion in 1966-67, it is estimated that the Highways Fund would have, from State sources, revenues about \$1,600,000 in excess of the amount required for matching. Having regard to earlier special supplementation of the fund from the Treasury from both Loan and Revenue sources, and in view

of the relatively much more difficult financial problems facing Revenue Account than face the Highways Fund at present, it is intended this year to require the Highways Fund to repay to the Treasury \$1,000,000 of the special \$1,240,000 revenue provision made to it in 1952-53. This will be done under authority of section 31a of the Highways Act. Moreover, to secure a better balance between the funds presently available to the Highways Department and those which the Treasury can afford for other essential departmental purposes such as education, water supply, etc., it is intended later this session to submit legislation authorizing the meeting of the full original costs of the Morphett Street bridge project from the Highways Fund. The Statute at present provides for the Highways Fund to meet only that half of the cost of the project which is not repayable by the Adelaide City Council. The full cost is certainly a reasonable charge to the Highways Fund and, if it is made, the city council's subsequent repayments would go back to the fund. However, if this legislation is approved, it is not intended that it should duplicate the \$1,000,000 repayment to Revenue now proposed for this year, but it is intended that the aggregate call upon the Highways Fund in 1966-67 for the two purposes combined shall not exceed \$1,000,000.

The aggregate revenues derivable this year from the special measures which I have reviewed, including the \$1,000,000 recovery from the Highways Fund, will be about \$6,025,000. This should make good all but \$2,316,000 of the \$8,341,000 gap in the Revenue Budget for 1966-67, which I have mentioned. Accordingly, the Estimates which I now present provide for a deficit currently of \$2,316,000. Such a deficit currently for 1966-67, if achieved, would mean an accumulated deficit in Consolidated Revenue Account at June 30, 1967, of \$7,928,000. Members will recall that the Loan Budget presented some weeks ago contemplated a possible deficit on Loan Account at June 30, 1967, of \$144,000, so that the combined deficit forecast is \$8,072,000. This is a little less than the combined total of the two deficits on June 30, 1966, of \$8,077,000, so that the 1966-67 programme overall is to hold the line financially, without any further deterioration of the Treasury balances. To go further than this in one year would, in my view, put unreasonable strains upon the State, and call for unreasonable economies or unreasonable further imposts.

The covering of the deficits already incurred must, in the circumstances, await later action, unless of course we are fortunate enough to experience a significantly better revenue year than now looks likely, or further substantial Commonwealth assistance is forthcoming. I now make some brief comment upon the departmental figures for the past year and for 1966-67.

THE YEAR 1965-66.

Actual receipts last year were \$236,816,000 or \$3,138,000 short of the Budget estimate, while expenditures were \$243,650,000 or \$614,000 in excess of estimate. The total of receipts from taxation fell below the original estimate to the extent of \$2,279,000. The heaviest loss of revenues was in succession duties which were \$1,366,000 short of the earlier expectation. The Budget included an estimated \$300,000 to be received as the result of amending legislation which, in the event, was not approved. The other \$1,000,000 or so shortfall was probably in part the result of the depressing effect on values generally of the down-turn in the Australian economy, and in part purely chance factors. However, a considerable cause of the down-turn in these particular revenues is the increasing avoidance of duty by taking advantage of weaknesses and anomalies in the Act. The Government's proposed amending legislation is accordingly vital to the securing of proper revenues from this source.

Stamp duties failed by \$532,000 to reach the estimate. This shortage also was a reflection of the general lack of vigour in the economy. Other failures to reach estimates were in motor vehicle fees, \$112,000 below, and in land tax, \$142,000 below. The latter was due in part to delay in billing while legislation was before Parliament, though the yield of the 1965 amendment was slightly less than expected. There were no significant increases above estimate in the various items of taxation. As a whole, public undertakings showed actual receipts for the year \$957,000 below estimate. For the Railways Department it was originally estimated that the earnings for the year would be \$30,214,000, and that, with little or no variation in the level of outstanding accounts, the cash receipts would be about the same figure. Actual earnings for the year fell below the estimate by just over \$1,100,000, the principal shortages being for grain carriage \$713,000, for general merchandise

\$253,000, and for minerals \$135,000. There were, however, heavy cash receipts in June last and a marked reduction in outstanding accounts, so that the shortfall of \$451,000 in cash receipts did not fully reflect the extent of the decline in business handled by the railways. Harbors Board receipts tend to follow the same trend as those of the Railways Department, as variations in the quantity of grain and ores moved to the ports naturally affect the volume of shipping. In addition imports were below the expected levels last year, and the overall effect was to pull down receipts from wharfage and other harbour services to a figure \$805,000 below estimate. On the other hand the receipts from water and sewer rates were \$351,000 above estimate, mainly due to expansion of services and to payments for excess usage being somewhat greater than earlier expected.

Various departmental fees and recoveries in total were \$168,000 in excess of the estimate, this net variation being made up of many individual variations, some above and some below estimate. The larger movements were in receipts from education and hospital services. For education purposes actual receipts exceeded the estimate by \$343,000 because of recoveries from the Commonwealth to match additional State grants for university purposes. Receipts of the Hospitals Department were \$239,000 below estimate mainly because of changed financial procedures which meant later payments by the Commonwealth under the pharmaceutical benefits scheme. Territorial receipts fell \$116,000 below estimate as certain proposals for land sales did not proceed as rapidly as originally expected. The calculation of Commonwealth grants for taxation reimbursement, based on final figures for population and wage movements, gave a figure \$113,000 below the earlier estimate which of course had been based on preliminary incomplete data. For payments, the excess of \$614,000 above estimate was the net result of many variations, some of them above and some below the original provisions passed by Parliament. However, as the excesses cannot ordinarily be offset against underspendings to secure appropriation authority it was necessary late in the year for Parliament to consider Supplementary Estimates totalling \$1,535,000.

The major excesses above estimate last year were for education purposes. For the Education Department itself the excess above

original appropriation was \$608,000. As this was due almost entirely to the additional costs of a new award for teachers, and as the Appropriation Act had a special provision giving appropriation to cover the increased costs arising from awards, it was not necessary to include this department's requirements in the Supplementary Estimates. On the other hand, it was necessary to include in those Estimates a provision for "Minister of Education—Miscellaneous", for which final payments were \$770,000 above the original estimate. The excess was due to additional grants required for the University of Adelaide for research purposes and buildings and for the South Australian Institute of Technology towards recurrent expenditure and buildings. These gross provisions were partly offset by increased recoveries from the Commonwealth, as I have earlier mentioned.

The other larger excesses above estimate were for the Department of Social Welfare, the Engineering and Water Supply Department, and the Public Buildings Department, and special provisions for all three were included in the Supplementary Estimates. For the Department of Social Welfare actual payments were above estimate by \$184,000 because of higher numbers of children under the care of the State, increased numbers in receipt of relief and greater costs of care and accommodation. The payments of the Engineering and Water Supply Department exceeded the original estimate by \$327,000 because of increased costs of maintenance, repairs, water treatment and pumping, while the increased costs of rates, repairs and maintenance of Government buildings were responsible for the actual payments of Public Buildings Department exceeding the estimate by \$165,000. The two major variations below estimated payments were for the railways and harbour undertakings, arising in each case substantially from the lower level of activity which I have already mentioned as reducing revenues. The actual savings in expenditure as compared with estimate for the two undertakings were \$772,000 and \$247,000 respectively. Other savings as against estimate included \$215,000 for the Department of Agriculture as tentative provisions to combat fresh outbreaks of fruit fly were not required.

ESTIMATES FOR 1966-67.

RECEIPTS.

I estimate that receipts on Revenue Account will amount to \$255,702,000 in 1966-67, that is, \$18,886,000 in excess of actual receipts in

1965-66. The Estimates of Revenue show the details of receipts which are expected from—

	\$
Taxation	42,606,000
Public Works and Services— charges, recoveries and fees	116,747,000
Territorial receipts	1,975,000
Commonwealth grants	94,374,000
	\$255,702,000

The estimate of \$42,606,000 for taxation is \$5,754,000 above last year's actual receipts. Land tax receipts at \$7,800,000 are expected to be \$2,162,000 above the actual receipts of 1965-66. The re-assessment of land values combined with the effects of a new tax scale will result in increased revenues of about \$2,100,000. The remainder of the increase will arise from the fact that last year's collections fell rather short of the amount due, because of delays in billing. A further moderate growth of \$612,000 to a total of \$12,500,000 is forecast for motor vehicle taxation. Because of the statutory requirement that these taxes be made available for road purposes, a variation in this item has no net impact on the Budget.

For stamp duties I estimate an increase of \$1,868,000 to a total of \$11,916,000. Of this increase, \$900,000 is expected to be derived from the amendments to rates that I have mentioned, while the remainder is expected from increased volume and value of business and from a full year's effect of higher stamp duty charges on cheques that became effective in February last. The forecast for succession duties is \$6,750,000, an increase of \$616,000 above the receipts of 1965-66. The amending legislation that I have foreshadowed should yield in the latter part of the year about \$250,000, while the remainder of the increase is expected from a greater number of assessments and some recovery in values generally.

The amending legislation proposed for liquor taxation will be designed to yield additional revenues of about \$375,000 this year, and an increased turnover will probably result in a further \$50,000, or thereabouts. These two factors would carry the total receipts from liquor licences to \$1,515,000. The estimate of receipts from public works and services, \$116,747,000, is for an increase of \$6,725,000 above last year's actual receipts. It is anticipated that the increase will be from—

	\$
The operation of public undertakings	4,602,000
Recoveries of interest and sinking fund	956,000
Other departmental fees and recoveries	1,167,000
	<hr/>
	\$6,725,000

Receipts from the operation of the State's harbour services are expected to increase by \$705,000 to a total of \$6,900,000. The major factors taken into account in this forecast are the full year's effect of increased charges that came into force last November, the expectation of increased grain and salt exports, the commencement of lime sand shipments from Port Lincoln, and the prospect of rising imports, including oil.

The forecast increase of \$1,487,000 in cash receipts from fares and freights of the railways services is expected to take the total of such receipts to \$31,250,000. The earnings from the carriage of passengers and freight are likely to be more than \$2,000,000 above last year's earnings but, whereas cash receipts were boosted by a rather large reduction in outstanding accounts late last year, no favourable effect could reasonably be foreseen from such a factor this financial year. Expected cash receipts have been estimated at the same figure as earnings, that is to say, allowing for no significant variation in outstanding accounts, and should there be an increase in such outstandings, as is possible, cash receipts would be adversely affected. The increased scale of rates is expected to yield about \$1,240,000 this financial year. The remainder of the increase of about \$2,000,000 forecast for earnings is expected to flow from greater tonnages of grain, general merchandise and minerals, and about \$250,000 from the operation of the automatic variation clauses in special contracts.

For the State's water and sewer services it is expected that receipts from rates will be about \$22,150,000, an increase of \$2,077,000 above actual receipts for 1965-66. About 40 per cent of this increase will come from the normal annual expansion of services, whilst the remainder will arise partly from the greater volumes of excess water used last year and partly from the increased charges for excess water. It is a matter for some regret, particularly when so much of the metropolitan supplies must be pumped from the Murray River, that the increased charges and the appeals for moderation in use of water do not seem to

have been very effective. A review of the operations of the Woods and Forests Department shows that the extent of revenues earned will make it practicable to increase by \$240,000 the annual contribution by the undertaking to Revenue.

The total recoveries of interest and sinking fund is expected to reach about \$22,917,000 which would be \$956,000 above the actual recoveries of last year. These recoveries of debt services tend to increase each year as the volume of Loan funds employed grows steadily. The greater part of the usage of Loan moneys each year is for normal departmental works and services which are operated within the framework of the Revenue Budget, and the debt services in respect of those expenditures remain a charge against the Budget. However, a considerable part of the loan programme each year is for semi-governmental undertakings such as the Electricity Trust and the Housing Trust, and these authorities repay to Revenue Account the interest and sinking fund applicable to the Loan funds used. Other recoveries of debt services are made from certain departmental accounts that are financed from periodical Loan advances, but which are operated outside of the annual Revenue Budget appropriations. Such accounts include those of the Woods and Forests Department, and the stores, plant and machinery, and reimbursement accounts of the public undertakings. The increased recoveries from the foregoing accounts will be offset to the extent of almost \$400,000 by lower interest earnings on that proportion of trust and other funds that is available for investment as fixed deposits with the Reserve Bank. The lower earning of interest follows from the utilization of portion of those balances in financing the deficits in the Loan and Revenue Accounts.

Among the estimated departmental fees and recoveries are three rather large variations from the actual receipts of last year. For education purposes probable receipts are set down at \$1,867,000 less than for 1965-66. This is a result of the decision to charge grants for university and advanced education buildings to Loan Account and to take to Loan Account as received those contributions from the Commonwealth which were previously credited to Revenue. Receipts of the Hospitals Department are expected to increase by \$1,144,000 because of increased recoveries from the Commonwealth for hospital and pharmaceutical benefits, and the full year's operation of increased charges introduced late last year. The miscellaneous items include the

proposed recovery of \$1,000,000 from the Highways Fund. The taxation reimbursement grant is expected to increase by almost \$6,500,000 to \$92,966,000 due to the operation of the statutory formula.

PAYMENTS.

In the Estimates of Expenditure provision is included for—

	\$
“Special Acts”—being payments for which appropriation is contained in special legislation	66,582,000
Proposed payments for departments and services for which the financial authority will derive from the Appropriation Bill	191,436,000
	<u>\$258,018,000</u>

Under “Special Acts” the proposed payments of \$66,582,000 are expected to exceed last year’s actual payments by \$3,170,000. As in recent years, one of the largest increases in Revenue provisions is for the servicing of the public debt. Commitments for interest and sinking fund rise inevitably as new moneys are borrowed each year to finance essential capital purposes. Further, as existing loans mature, they have to be converted into new issues mostly bearing higher rates of interest. All State Governments feel bound to take up Loan moneys to the maximum permissible extent each year, and the urgent demands for works and services would appear to justify borrowing beyond the levels approved in recent years by the Australian Loan Council. Nevertheless, it should be borne in mind that the inescapable payments of debt services are a first claim each year on a State’s revenues, and the annual increase in debt services immediately absorbs a very large part of any increase in grants, taxes and charges. The increase provided this year for interest and sinking fund payments under “Special Acts” is \$3,597,000. The net impact on the Revenue Budget for debt services, after taking account of other appropriations under “Premier and Treasurer—Miscellaneous” and all recoveries shown in the Estimates of Revenue, will be about \$37,329,000. This will be an increase of almost \$3,300,000 above the net impact last year. The net increase of \$3,300,000, which will absorb over half the increase in the Commonwealth grant this year, may be compared with an increase of \$2,800,000 in 1965-66 and \$2,600,000 in 1964-65.

Under “Special Acts” the provision for the transfer to the Highways Fund of the net proceeds of motor taxation shows an estimated decrease of \$728,000 as compared with last year. The main reason is the different treatment of certain administrative expenses which in the past have been met directly from the Highways Fund, but which appear this year in the Estimates of Expenditure as part of the provisions for the Highways Department. The different treatment has the two effects of increasing the apparent expenditure of Highways Department and reducing the net transfer to the Highways Fund. The latter is calculated by taking the receipts from motor vehicle taxation, and deducting therefrom certain payments including those for administrative expenses of the Motor Vehicles Department and the Highways Department. The Highways Fund itself will be relieved of the direct charge for the administrative costs in question. The net effect is to put before Parliament a more complete picture of the administrative costs of the Highways Department, while leaving unaffected the net funds available to the department.

For departmental appropriations the largest increases are again for the social services, particularly education. The Education Department itself will this year have a total provision of \$44,897,000, an increase of \$5,136,000, or almost 13 per cent above last year’s actual payments. After allowing for the costs of the commencement of the free books scheme for children in primary schools, \$560,000, the cost of the first instalment of the five-year programme of equal pay for female teachers, \$340,000, the cost of the recent basic wage increase, \$940,000, and the additional effect this year of a new award for teachers, which came into force in November, 1965, \$650,000, there will remain available for general expansion of the education services an increase of almost \$2,650,000, or 6½ per cent.

Under “Minister of Education—Miscellaneous” the proposed total provision of \$10,642,000 anticipates a decrease of \$2,660,000 from last year’s payments. This reduced provision is a direct consequence of the decision to charge to Loan Account this year the grants aggregating \$3,800,000 to the University of Adelaide, the Flinders University of South Australia, and the South Australian Institute of Technology for building purposes. The provisions in these Estimates are towards the normal recurrent purposes of

the three institutions and for special research purposes. In proposing the amounts set down the Government has had regard to the amounts required to complete the arrangements for the current triennium which closes at the end of December next. The reports of the Australian Universities Commission and the Commonwealth Advisory Committee on Advanced Education for the forthcoming triennium, 1967-69, have not yet been presented, but my Government has had the opportunity to hold confidential discussions with the Commonwealth and with the two committees. On the basis of those discussions, and having regard to the volume of funds likely to be available for all purposes, estimates have been made of the support which may be appropriate for the beginning of the next triennium. Until the reports of the two committees have been presented, and the Commonwealth has had the opportunity to comment thereon, I am unable to give members any detailed information about the next triennium. However, at this stage it appears to me inevitable that an equitable distribution of limited available funds between all competing needs within the State Budget will mean allocations for tertiary education purposes rather less than the institutions would desire. As members know, the Flinders University of South Australia is now functioning as a separate authority. However, for reasons of appropriation, grants to that university will continue to be made through the University of Adelaide until the end of the present triennium. From January, 1967, grants will be made directly. The Estimates of Expenditure provide accordingly.

For the medical and health services the Hospitals Department has the major provision, \$19,854,000, which is \$1,685,000 above the actual payments of 1965-66. The proposed appropriation takes into account the cost of awards, the effect of increased usage of the new group laundry and central linen service, and within the limit of funds available makes provision for improved services.

The appropriation for "Chief Secretary—Miscellaneous" includes the individual provisions for grants towards both current running and capital purposes for a large number of non-Government hospitals and institutions. The proposed appropriation from Revenue Account this year, at \$9,826,000, is \$329,000 less than actual expenditures last year. However, "Chief Secretary—Miscellaneous" has been relieved of the impact of \$2,700,000 otherwise dealt with and, in the absence of the recent

special arrangements, would have shown an increase of \$2,371,000, or over 23 per cent. The relief to Revenue Account has been in two ways. In the first place, grants totalling \$2,600,000 for building purposes at four hospitals are to be charged to Loan Account this year. In the second place, it is anticipated that grants totalling \$100,000 towards recurrent purposes at three institutions may be met out of the Hospitals Fund. The three institutions are the Adelaide Children's Hospital, the Home for Incurables, and Minda Home. For the Children's Hospital the maintenance grant proposed is \$1,900,000, an increase of \$120,000 which will be met with \$70,000 from Revenue and \$50,000 from the fund. For the Home for Incurables the maintenance grant of \$195,000 will be an increase of \$69,000, of which \$44,000 will be met from Revenue and \$25,000 from the fund. Minda Home is to have a maintenance grant of \$134,000, an increase of \$50,000 to be met by \$25,000 from Revenue and \$25,000 from the fund.

For the public undertakings the largest increases in appropriation are for the Engineering and Water Supply, Harbors Board, and Railways Departments. The total proposed for the Engineering and Water Supply Department is \$11,906,000, comprising \$252,000 for this State's contribution to the River Murray Commission towards the cost of maintenance of River Murray works, \$1,850,000 for electric power for pumping through the two major pipelines, and \$9,804,000 for other departmental running expenses. Of the \$1,850,000 for power for pumping, \$1,250,000 is expected to be required for the Mannum-Adelaide main and \$600,000 for the Morgan-Whyalla main. This year's provision for pumping from the Murray to the metropolitan area is \$285,000 in excess of the cost last year and \$954,000 above the cost in 1964-65. The actual requirement of power will, of course, depend on seasonal conditions, which may yet vary widely and unpredictably. At this stage metropolitan storages are holding in aggregate a rather greater volume than last year, but the amount available from South Para reservoir to supplement metropolitan supplies is likely to be less than last year. The present expectation is for heavier costs of pumping to the extent I have indicated.

The Harbors Board has a total provision of \$3,592,000 for the operation and maintenance of its services. This is \$251,000 above actual payments of last year. The increase is intended to cover the cost of the recent basic wage and

other awards, to provide for an expanded programme of maintenance, and to cover the cost of increased activity at bulk handling plants. The Railways Department has a total provision of \$30,936,000, an increase of \$1,118,000. This will cover the cost of the basic wage determination and other minor award effects. I anticipate that the increased costs of handling a somewhat greater volume of freight will be offset by further economies in operation.

It has been customary in recent years to include in the appropriation for the Agriculture Department a provision towards meeting the costs of stripping trees and control measures should a fresh outbreak of fruit fly occur. The State has not had a major outbreak since the summer of 1963-64 and accordingly no such provision has been made this year, but the proposed total of \$2,103,000 for the department will, of course, provide for regular road blocks and the normal activities to guard against importation of pests and diseases. The Mines Department has a total appropriation of \$1,970,000, which includes \$50,000 for the cost of an investigation by consultants into engineering and financial aspects of the proposed natural gas pipeline. This investigation and report is necessary to determine the probable cost of the line, and to form the basis of a submission to the Commonwealth Government for financial support.

Members interested in examining the Government's provisions in land settlement, irrigation, surveying and other activities under the Minister of Lands will see that the previous dissection into the two distinct parts of "Lands" and "Irrigation" has ceased. All activities now appear under Part V.—"Minister of Lands". The previous dissection of what is now one fully integrated department was rather artificial, and I believe that the new presentation in the Estimates will give a clearer and more realistic picture of what the Lands Department does.

I wish to take this opportunity to express not only my own appreciation but that of the Government and, I believe, of the Parliament to the staffs of the Treasury and the Premier's Department for their work in these matters. Their assistance is traditional and has been given over so many years. For about 23 years I listened to the results of their work, and last year and again this year I presented Budgets to which they so ably contributed. The preparatory work they do is most enlightening, and I pay a tribute to them for it. I also pay a tribute to the Government Printer for

the excellent and outstanding work he has performed in printing copies of the Budget, which all members have before them.

The Government, in seeking office, told the electors of South Australia what it proposed to do, if it were elected. Programmes were put before Parliament for 1965-66 and have now been submitted for 1966-67 to carry on the traditional services that must be given by all State Governments, and to bring into effect the specific undertakings that were made early in 1965. The normal expansion of State services for the community and the implementation from time to time of new undertakings carry with them an inescapable cost, which, in the final analysis, must be met by the community itself. For State Governments, that contribution by the public may be received either by way of Commonwealth grants financed primarily out of income tax or by way of taxes and charges levied by the State itself.

The Government believes that the most equitable way for the necessary funds to be raised is by a progressive income tax, which is now, and appears likely to remain, entirely in the hands of the Commonwealth. As honourable members know, all State Governments have pressed the Commonwealth for increased assistance by way of general purpose grants to enable essential State services to be maintained and reasonably expanded. The extent of Commonwealth support has been far less than the States consider proper, and each State finds itself in the same unenviable position of having no choice but to increase a number of those taxes and charges which lie within its own control.

Therefore, I have put before Parliament proposals which are designed to secure the revenues vital to the continued provision of traditional services and those specifically promised. Either alone or in concert with other States, the Government will continue to press the Commonwealth for a more favourable distribution of resources. In the meantime, I am confident that honourable members will authorize the expenditure proposals now submitted together with the revenue proposals necessary to implement them.

Mr. Chairman, I move the adoption of the first line.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 9.6 p.m. the House adjourned until Tuesday, September 13, at 2 p.m.