

HOUSE OF ASSEMBLY

Wednesday, September 14, 1966.

The SPEAKER (Hon. L. G. Riches) took the Chair at 2.30 p.m. and read prayers.

QUESTIONS

UNIVERSITY GRANTS.

Mr. HALL: This morning's *Advertiser* reports that the South Australian Government may not be able to match the grants to be made by the Commonwealth Government for university education in this State. Although I do not recall any figures being given in the article, and although a definite statement has not been made, can the Minister of Education assure the House that this Government is accepting all the money that the Commonwealth Government is offering by way of university grants for the next triennium?

The Hon. R. R. LOVEDAY: In reply to the Leader, I point out that Senator Gorton has not yet made a public statement concerning what the Commonwealth Government is prepared to provide for the next triennium in respect of the tertiary institutions, so that it is quite impossible at this stage to say whether this Government can, or cannot, match precisely what the Commonwealth Government is prepared to make available.

Mr. MILLHOUSE: The Minister emphasized that no public statement had yet been made by Senator Gorton with regard to the sums available to universities in the next triennium. In view of the emphasis the Minister put on the word "public", can he say whether he and the Government have had private conversations with Senator Gorton and with the Commonwealth Government on this matter? As I find it hard to believe that there have not been some conversations about the matter if an announcement is to be made soon, can the Minister give an assurance, as a result of these private conversations and the knowledge he must have, that the State Government intends and is in a position to take all the money offered by the Commonwealth Government?

The Hon. R. R. LOVEDAY: The only conversations I had with Senator Gorton on this matter arose at a time when the Ministers of Education attended a meeting together with Commonwealth officers and Senator Gorton to deal with the question of educational television. At the request of Senator Gorton, the Ministers discussed with him individually the question of grants for tertiary institutions in

the various States. At that time there was an exchange of opinion about the capacity of the States to meet what might be recommended by the Commonwealth Government. Senator Gorton did not say then precisely what the Commonwealth would recommend. Therefore, as no public announcement has been made on what the Commonwealth intends to recommend, I cannot say precisely whether the State Government will be able to match the recommendations of the Commonwealth Government.

CRUELTY TO ANIMALS.

Mr. LAWN: This morning's *Advertiser* contains a long article by a staff reporter concerning cruelty to animals and statements made by a number of veterinary surgeons, in which the reporter states:

I have just spoken to a reputable veterinary surgeon who says he has had to treat many cats brought to his surgery with paws mutilated by the systematic withdrawal of their claws, apparently by means of pliers.

The reporter also refers to similar statements about cruelty, made by a number of other veterinary surgeons. Will the Premier, representing the Chief Secretary, ask his colleague to have the statements contained in that article investigated by the Police Department?

The Hon. FRANK WALSH: Yes.

PARA VISTA SCHOOL.

Mrs. BYRNE: Can the Minister of Education say whether tenders have been called for the erection of an infant and primary school at Para Vista?

The Hon. R. R. LOVEDAY: I am now able to inform the honourable member, who advised me of this question, that tenders have been called for a two-storey primary school building containing 15 classrooms, etc., and a two-storey infants school building containing eight classrooms, etc., such tenders to close on September 20.

CHILD GUIDANCE CLINIC.

Mr. COUMBE: On July 27, 1965, I asked a question and received information about land which had been bought by the Government at Fitzroy Terrace, Fitzroy, and which was to be used by the department for a child guidance clinic. Reference is also made to this land in the Auditor-General's Report. Will the Premier obtain a report from the Chief Secretary indicating how much activity is proceeding in this situation and how many people and children are being treated? Also, are there any plans to make use of the extensive vacant

land on the corner of Fitzroy Terrace and Braund Road belonging to this particular situation?

The Hon. FRANK WALSH: I shall ask my colleague to obtain for me a full report on the matter which I shall present to the honourable member as soon as possible. I understand some property in this area is presently being used as a child guidance centre because of overcrowding in another centre, but to what extent I cannot recall at the moment.

ELIZABETH TRADE SCHOOL.

Mr. CLARK: Yesterday I read from a press statement made by the Town Clerk of the City of Elizabeth (Mr. Jim Lewis) in which he referred to the possibility of a trade school or a branch of the Institute of Technology being established at Elizabeth. He stated that in the original Elizabeth town plan provision had been made for a site for a trade school. Apparently the council is anxious (and, to my knowledge, so are the people of Elizabeth) to have facilities of this type in the town because, owing to the distance between Elizabeth and Adelaide, much delay is caused to young people attending trade schools in the city. The Minister of Education will remember that last year, during the debate on the Apprentices Act Amendment Bill, I raised this matter at some length. As I strongly support the council's desire for a trade school or a branch of the Institute of Technology to be established in this area, will the Minister obtain a report for me on this matter?

The Hon. R. R. LOVEDAY: I shall be pleased to do that.

GAS.

The Hon. Sir THOMAS PLAYFORD: Two or three statements have recently been made by the Premier about representations to the Commonwealth concerning the pipeline from the Gidgealpa-Moomba area to Adelaide for the conveyance of natural gas. The fact that there have already been two discoveries of natural gas in the northern area of the State suggests that there may be similar developments in the future, because the area covers such a large part of the State. Has the Premier proposed to the Commonwealth that the pipeline should be a common carrier, or will it be used exclusively by the Delhi-Santos group? If the latter, has any firm commitment been made concerning a gas well to supply gas to the pipeline?

The Hon. FRANK WALSH: The gas pipeline that the Government is greatly interested

in must be a common carrier, so I need not dwell on the second part of the question. As soon as the pipeline is in operation, I believe that the increased demand for natural gas will require the duplication of the pipeline.

KADINA HOUSING.

Mr. HUGHES: During the explanation of the Loan Estimates it was stated that one Housing Trust house was under construction at Kadina at June 30, and four other new houses were to be erected during 1966-67. Will the Premier find out from the Chairman of the trust for whom these houses are being built and who will occupy them?

The Hon. FRANK WALSH: I will take up the matter with the Chairman of the trust.

SALESMEN.

Mr. RYAN: A few days ago a representative of the firm of Electrolux called on one of my constituents to service an Electrolux machine. He was joined by another person, and they entered the room without being invited, closed the door, and refused to leave at the request of the woman concerned. She was greatly upset after her request had been refused several times. On communicating with the firm concerned (Electrolux) the woman was told that the men were not employed by that firm and could do as they liked. As this matter appears to require police investigation, will the Premier refer the case (and I shall give full particulars) to the Chief Secretary in order that the matter and the possibility of prosecution may be fully investigated?

The Hon. FRANK WALSH: I shall ask my colleague to obtain a complete report and, if there is to be a prosecution, that will be determined by the Attorney-General. We shall have the fullest investigation made.

BRIGHTON RAILWAY SERVICE.

Mr. HUDSON: Has the Premier an answer to my recent question regarding the Adelaide-Marino train service?

The Hon. FRANK WALSH: The Railways Commissioner reports that the new time table that came into operation on July 4 did not provide for additional services to Marino Rocks. However, four additional trains now work to Marino during the day-time off-peak periods. It is not practicable to terminate trains at Marino Rocks. All trains working beyond Marino must proceed to Hallett Cove. The record of passenger patronage, which is reviewed periodically, does not suggest the need

for additional service beyond Marino at present. Subject to improved patronage, consideration will be given to amendment of the existing services.

SOAP POWDERS.

Mrs. STEELE: Has the Premier a reply to the question I asked some weeks ago regarding the sale of soap powders?

The Hon. FRANK WALSH: The Prices Commissioner has reported that detergent and soap powders are not subject to price control. The manufacturers' capital city selling prices for the various lines are similar in each State. Regarding the two largest manufacturers in Australia, the extent to which detergent and soap powder prices may be inflated because of excessive expenditure on advertising and promotional schemes cannot readily be determined. This is because such expenditure is undertaken on a national basis and controlled by head offices interstate. Action is being taken, however, to obtain the information necessary to assess the position properly. If, as a result of this investigation, a reduction in prices is considered warranted, consideration will be given to the recommending of control of prices of detergents and soap powders.

METROPOLITAN DRAINAGE.

Mr. LANGLEY: Last month I received a reply regarding metropolitan drainage and was informed that a draft Bill would be discussed by councils later that month. As this matter is of great concern in inner suburban areas such as Norwood and Unley, can the Minister of Lands, representing the Minister of Local Government, say whether finality has been reached regarding the introduction of a Bill on this matter?

The Hon. J. D. CORCORAN: I shall be happy to obtain that information for the honourable member.

AGRICULTURAL SCIENCE.

Mr. RODDA: My question relates to the need for extra land for agricultural science studies at high schools, and I refer particularly to Naracoorte and Lucindale. As the Minister of Education knows, both centres conduct small but efficient livestock projects, but sheep numbers need to be increased, and this cannot be done on the land available at present. I know it is impossible for the Minister to do anything in this matter immediately, but there is a need to look to the future for expansion of this branch of agricultural teaching. At Naracoorte some public-minded graziers, with charity flowing from their breasts, are

bringing animals to the school, thus providing a greater number of stock for use in general animal husbandry. Will the Minister examine the prospect of obtaining extra land in order to facilitate the expansion of the livestock husbandry practices taught at the two centres?

The Hon. R. R. LOVEDAY: I shall be pleased to do that. The Government is interested in improving our courses relevant to agriculture in secondary schools. In the past the emphasis has been on agricultural science, but last year courses in agriculture were started, as distinct from agricultural science. These have a bias on the pre-vocational side. With regard to this policy, we have in mind enlarging the areas, where necessary in secondary schools where the subject is being followed, as soon as it is possible to do so. The whole position relating to secondary schools in country areas is being examined with a view to improving the pre-vocational courses and providing additional facilities, because we are convinced that it will be very valuable to students in the country. It is thought that, by making the course more practical in its application than it has been in the past, it will be of great advantage in secondary schools in the country. In the past, the agricultural science course has been biased towards the written examination side, because of the demands of the Public Examinations Board. However, we are getting away from that and we hope to expand in the direction mentioned.

UPPER MURRAY HOUSING.

Mr. CURREN: My question relates to the South Australian Housing Trust building programme in Upper Murray towns. I notice that the Loan Estimates Appendix showed that in the towns of Barmera, Berri and Renmark, for the year ended June 30 last, 55 houses were under construction and the programme for the current financial year was 43 houses. Can the Premier inform me, first, what percentage of the houses provided for in the 1966-67 programme will be available for rental? Secondly, has there been a shortage of building sites which has held up construction of houses in the Upper Murray area? Thirdly, is sufficient land available for the projected 1966-67 programme?

The Hon. FRANK WALSH: The information I have is as follows:

(1) It is not at present possible to state exactly what percentage of the houses provided for in the trust's 1966-67 programme will be available for rental. The trust has already let a contract for the erection of 12 single unit houses of a smaller floor area in the Upper

Murray area. These will all be offered to applicants for housing as their cases come into line for consideration. Any applicant who is offered one of these houses may elect either to rent it or to purchase it as soon as it is ready for occupation, and an applicant who is willing to purchase will not be given preference over one desiring to rent. Further contracts will be let during 1966-67, according to the demand and as the position allows. The conditions in regard to allocation mentioned in the last paragraph will apply to these houses also and, since most applicants are likely to rent, it is therefore correct to say that the majority of the new houses built in the area during 1966-67 will be let.

However, houses which were contracted for during 1965-66 but which were not completed in that financial year are being offered for sale in the first instance. On present indications, it is possible that at Loxton and Berri a number of these houses will not be sold. If so, they will be made available for rental at \$10.50 a week. Although this is a somewhat high rental, it does, in fact, represent a possible sub-economic one to the trust.

(2) Yes. In the past there have been some delays in obtaining suitable land for the trust's building programme, for example, at Loxton.

(3) Yes.

PARAFIELD GARDENS STATION.

Mr. HALL: Has the Premier an answer to my question of July 21 about the proposed starting date of the building of the Parafield Gardens railway station?

The Hon. FRANK WALSH: Provision has been made on the 1966-67 Loan Estimates for a new railway station to be built at Parafield Gardens. Commencement of this work will be dependent on the passing of the Estimates. We have got through the Loan Estimates and I sincerely hope we shall be able to go on with it.

TREES.

Mr. HUDSON: My question arises from a letter that appeared in the *News* last Friday week by the former Civic Roundsman of the *Advertiser*, Mr. Garth Rawlins. This letter lodged a protest in relation to the treatment in the newspapers, particularly the *Advertiser*, of the Montacute Road dispute. It posed certain queries about other matters that had not appeared in the press at that time. My questions to the Minister of Roads, through the Minister of Lands, following the happenings surrounding Mr. Rawlins' letter to the *News*, and his subsequent dismissal from the *Advertiser*, are as follows: (1) How many trees have already been removed by the Adelaide City Council along the Montefiore Hill

road? (2) How many trees on the northern side of the Torrens River are to be removed by the Adelaide City Council as a result of the erection of the new Morphett Street bridge? (3) Were the trees near Morphett Street bridge due for removal at the time of the Montacute Road dispute? Did the Adelaide City Council postpone the removal of these trees? (4) How many more trees are to be removed in the future by the Adelaide City Council to allow for widening of the Montefiore Hill road? (5) Has the Adelaide City Council or the Minister received any protests in relation to the removal of these trees?

The Hon. J. D. CORCORAN: I shall be happy to convey these questions to my colleague and obtain information for the honourable member as soon as possible.

SCHOOL WINDOWS.

Mr. MILLHOUSE: In view of the announcement in this morning's newspaper that the Government will no longer let contracts for the cleaning of school windows, can the Minister say whom he expects to clean school windows in the future?

The Hon. R. R. LOVEDAY: I should imagine that the schools will leave the cleaning of the windows undone, unless they find it is absolutely necessary to clean them occasionally, when they can be hosed down. I have not issued any directions about that at all at the moment.

Mr. MILLHOUSE: I fear that the Minister did not understand the purport of my question. He said he thought the cleaning could be done in the future simply by hosing down—a fairly unsatisfactory method, I should have thought. The import of my question was: who is to do this work, and who is to be responsible for it? Does the Minister envisage that it will be done by members of the staff (the teachers), the students, or the parents of children attending the school?

The Hon. R. R. LOVEDAY: I thought I had advised the honourable member that I had given no directions about this. I am sure the matter will be satisfactorily worked out.

Mr. Millhouse: In what way?

The Hon. R. R. LOVEDAY: The honourable member should remember that the windows were cleaned only three times a year and on many occasions they could have been dirty the day following their cleaning. Therefore, the windows could have been dirty for 362 days of the year. One should not be too concerned that the windows will not be cleaned.

MIGRANTS.

Mr. HALL: Has the Premier a reply to a question I asked recently concerning the alleged return of migrants to their home lands?

The Hon. FRANK WALSH: The only accurate figures available from the Commonwealth Immigration Department cover migrants who return to Britain within two years of their arrival here. The Commonwealth figures for this State for the last two years for British migrants are as follows: in 1964-65, the number of migrant arrivals totalled 15,447, and those returning totalled 522. The percentage of returns to arrivals was 3.38. For 1965-66, there were 17,179 arrivals and 728 returns. The percentage of returns to arrivals was 4.2.

OAKLANDS CROSSING.

Mr. HUDSON: Has the Premier a reply to my recent question relating to the Oaklands station railway crossing and the hazards surrounding that crossing?

The Hon. FRANK WALSH: An inter-departmental committee, comprising representatives of the Railways Department and the Highways Department, was set up several years ago for the express purpose of considering and making recommendations concerning the relative priorities of level crossings for installation of automatic warning equipment. This committee has not considered any proposal relating to the redesign of the Oaklands crossing and local roads, and has not accorded the crossing a high priority in respect of installation of boom gates. I am informed that Highways Department officers have given some thought to the possibility of changes in the local road alignments, but a proposal in this connection has not been submitted. The programme recommended for new installations and improvements to existing installations will absorb the whole of the resources of the Railways Department in terms of skilled manpower during the current financial year.

VICTORIA SQUARE INCIDENT.

Mr. MILLHOUSE: My question concerns the nasty incident of the attempt to burn the United States flag in Victoria Square a few days ago, upon which subject the Premier expounded in the House yesterday. This morning I had a letter from a constituent of mine, which reads:

In the stop press of the *News* tonight I saw reference to the flag-burning incident said to have been organized by university students. Our daughter Carolyn saw the incident with us on television and instantly recognized someone

from the Eureka Youth Basketball Club (a Communist youth club). I asked if she thought the lass would be a university girl, and Carolyn said she would be more likely to work in a supermart. Carolyn played basketball against her team, which was coached by John Sendy.

I think Mr. Sendy is an acknowledged member of the Communist Party. In view of this information, which throws a rather different light on the matter and goes a good way towards removing the reflection upon university students implicit in the assumption that the demonstration was organized solely by university students, will the Premier take steps to investigate the matter again with a view to ascertaining whether those taking part were university students?

The Hon. FRANK WALSH: There may be some merit in further inquiry. I will see what the position is and consider the need for further inquiry.

HORTICULTURAL RESEARCH.

The Hon. Sir THOMAS PLAYFORD: Some time ago it was announced that the Blackwood Horticultural Centre was to be closed and that a new centre was to be established at Lenswood. I have looked at the information in the official papers and there appears to be some new method of setting out the vote in the Estimates, and there is no detail on whether the Blackwood centre is still in existence. I notice from the Auditor-General's Report that last year the centre cost the considerable sum of over \$12,000. Can the Minister of Agriculture say whether the centre has been closed or whether there is still some provision in the Estimates for its continuance this year?

The Hon. G. A. BYWATERS: The situation is that four acres of the Blackwood centre will be retained for research work on pome fruits, which work is regarded as essential by the Apple and Pear Board and horticulturists in all States. We are happy to co-operate with them on this scheme for this purpose, but Lenswood is another matter. It is being developed, and I daresay the honourable member is aware of the work that is taking place there. We now have a full-time manager at Lenswood, where some plantings have been made, and there will be further plantings. This will greatly assist people associated with pome fruits. The future of the Blackwood centre has not yet been fully determined, except that four acres will be retained for research work on pome fruits.

AGRICULTURAL GRANT.

The Hon. D. N. BROOKMAN: During the Agricultural Council meeting at Perth, Mr. Adermann, Commonwealth Minister for Primary Industry, announced that grants to be made of more than \$2,400,000 under the Commonwealth extension services would boost agricultural expansion in Australia. The grant for South Australia was \$255,000, and Mr. Adermann stated that another \$100,000 had been granted for a series of minor research projects to match funds put up by States or industries. Therefore, South Australia would have \$255,000 available and possibly an additional amount from this \$100,000. On his return from the council meeting in Perth, the Minister of Agriculture stated that the Agriculture Department intended to spend \$48,000 of its Commonwealth grant on the improvement of facilities and equipment at all research stations and on major capital works at the Kybybolite, Parndana, and Loxton research centres; that a further \$28,000 had been provided for the appointment of additional research and extension offices, and \$37,000 for equipment and expanded publications handled by the department's extension services branch. For the awarding of an additional 24 cadetships for tertiary training of future officers of the department, \$32,000 would be provided. As the South Australian grant will be at least \$255,000, and these provisions amount to \$145,000, leaving a surplus of over \$100,000, will the Minister provide a detailed statement of expenditure of the total amount to be granted by the Commonwealth, how much has been spent, when and where it will be spent and any other relevant information?

The Hon. G. A. BYWATERS: The honourable member would appreciate that it would be impossible in a press statement to give a full account of the money, because much of it was to be used in smaller works. However, I will obtain an itemized report for the honourable member.

LEAVE OF ABSENCE: Mr. JENNINGS.

Mr. BROOMHILL moved:

That a further two months' leave of absence be granted to the honourable member for Enfield (Mr. J. J. Jennings) on account of ill health.

Motion carried.

MENTAL HOSPITALS.

Adjourned debate on the motion of Mrs. Steele:

(For wording of motion, see page 569.)

(Continued from August 10. Page 974.)

Mr. McANANEY (Stirling): Although I do not have much more to say about this matter, I point out that further developments have occurred, and I wish to reiterate a little of what I said a fortnight ago. It is necessary to spend money on facilities for the mentally retarded; an urgent need exists in Australia to assist in the rehabilitation of the mentally ill, although differences of opinion exist as to just how this matter should be treated. With the opportunity to receive assistance from the Commonwealth Government in this field, it will be a bad day for South Australia if we do not take the opportunity and obtain money from that source. Admittedly, a shortage of finance exists in this State at present, but it is purely a matter of establishing the correct priorities. The Government has apparently decided to spend the money available to it in other directions, including assistance to healthy members of the community and those who although perhaps not quite as healthy can nevertheless look after themselves to a certain extent.

Although that may be a worthy practice (and I do not say it is wrong), it is up to us, when our resources are limited, to ensure that money is spent on those who need it most and where it will be most beneficial. Assistance to the people for whom these hospitals were to be erected is badly needed. These people cannot look after themselves, and it is in the State's interests that they be rehabilitated. Although that is perhaps a selfish viewpoint, I point out that if more people who are at present mentally ill are enabled to lead more active lives and produce something, the better it will be for everybody. The Government, in many cases, is using money in an unproductive way, and, as I have said, tending more towards assisting those who can help themselves. Although that may not be wrong, no members of the community are more deserving of support than are these down-trodden afflicted people. I strongly support the motion, and condemn the Government for not giving this matter a higher priority. It is not in the interests of the State to refuse a subsidy for the building of these hospitals.

Mr. MILLHOUSE (Mitcham): I have pleasure in supporting the member for Burnside (Mrs. Steele) in this motion, and I can say quite sincerely that no member of this House

has taken a greater interest in mental health than she has. I think I can also say without fear of contradiction that no member in this House is better informed on these matters than she is. In the speech with which she introduced this motion, she gave an excellent account of the state and progress of mental health services in South Australia within the last few years, and I entirely agree with her observations. Listening to what she said, and reading it since, I remembered my own feelings on visits to the Parkside Mental Hospital and the Northfield Mental Hospital (now re-named the Hillcrest Hospital). I must say (and I say it with due deference to the present Government) that it is absolutely disgraceful that nothing has been done about the building of one or other of the hospitals, either Elanora or Strathmont.

I say it is disgraceful for two reasons: first, because of what has been said by members of the present Government before they came to office; and, secondly, because it means that this State is losing money that would be available to it from the Commonwealth. There can surely be nothing more foolish than to look a gift horse in the mouth in this way. Let me quote simply from two documents to illustrate the first point that I make (that is, the comments made by the present Premier on this topic before he came to office), and to show what he thought then in contrast to what he has done since. This statement from the honourable gentleman's speech on the Budget on September 15, 1964 (only two years ago, all but a day) appears in *Hansard*:

As from July 1, the State Grants (Mental Health Institutions) Act, 1964—

which, I think, is a Commonwealth Act—has superseded the old legislation and is to operate for three years—

that is, of course, until 1967—

and therefore it is essential for this Government to get a move on because even though the plans for the Northfield centre have been submitted to the Public Works Committee, the present indications are that it will be well into next year before it will be possible to finalize tenders and commence actual construction work.

Therefore, on September 15, 1964, the present Premier, who was then the Leader of the Opposition, told the then Government to get a move on with this matter.

Mr. Rodda: He didn't know then that he would be riding the tiger.

Mr. MILLHOUSE: No. He went on to say:

It must be very frustrating to Dr. Cramond, who spent his full Budget allocation last year

and who has made a series of reorganizations as reflected in the present Budget figures which were not explained by the Treasurer, to be hamstrung by the indecision of the present Government.

If Dr. Cramond, who is now the Professor of Psychiatry and who is, happily for him, not now Director, was frustrated two years ago, what must it be like now for his successor, Dr. Shea? The honourable gentleman went on to say:

It is his aim—

that is, Dr. Cramond's aim—

to have modern and reasonable accommodation for his patients as soon as possible and it would appear that the only thing lacking is a directive from the present Government to go ahead.

What a fantastic exhibition we have had from the present Premier since! In view of what he said then (and he said it far better than I could say it now of him), why has he done nothing? He did not change his mind straight away about this. Having delivered himself so eloquently of these strictures, he came back to the same topic in his own policy speech. Although I think something has already been said about this, let me remind the honourable gentleman, in the hope that it will bring some action now from the present Government, what he said in his policy speech, delivered at Westbourne Park on February 19, 1965:

On the question of mental health and mental sickness, a comprehensive report was compiled by Messrs Stoller and Arscott for the Commonwealth Government in 1955 dealing with mental health facilities which was a complete condemnation of the treatment provided in this State. The report indicated that there should be four beds per 1,000 population. On that basis we would need 4,000 beds and at the present time we have approximately two-thirds of that requirement, so that the mentally sick persons have only two chances in three of obtaining hospital accommodation before they can receive medical treatment, and the report indicated that, at that time, both Northfield and Parkside were two mental health centres which were suitable for development as training centres. Ten years later we are still awaiting the Government making up its mind. The plans that are now envisaged for Reynella and Hillcrest are so very long overdue that the Reynella project is still awaiting the consideration of the Government. Whilst we have had some success as the result of our efforts in Parliament concerning the long overdue improvements needed in mental hospitalization, they are still far short of the requirements.

That was what the honourable gentleman said in February, 1965, and within a month he had an opportunity to do something about it, but he has still done nothing about it. He continued:

Labor (that is his own Party) has always insisted that the health of people is of paramount importance, and it is a State obligation to make the necessary provision for hospitalization for general purposes and also the mentally sick, and we also recognize that there must be a greater contribution of finance from the Commonwealth Government.

Well, if he really believed that (and I will give him the benefit of the doubt on this occasion and assume that at that time he did) why has he not organized or arranged his priorities so as to do something about it? It is ironical that he should have said that the Commonwealth Government should give more money when now he is not prepared to take up all the money the Commonwealth is offering to this State for this purpose. Why did he say these things in his policy speech if he did not intend to put them into effect when he came into office? Why, when he came into office, did he not do anything about this matter? Why have he and his Government still neglected to do anything about this? Sir, this is utterly disgraceful. Finally, having said that Labor would immediately increase the Government infirmary accommodation and then subsidize the erection and running of small cottage district infirmaries, he said:

iii. Immediately—

and I remind the honourable gentlemen of the meaning of that word—

speed up the re-housing of mental hospital patients in modern buildings adequate for their needs.

That is what he said, first, in the Budget debate in 1964 and what he reiterated even more eloquently in February, 1965, but now that he is in a position to put these fine words into effect, little if anything is done about it at all. To say the least (and I say it with great respect to the honourable gentleman) this is most reprehensible.

The second point I make is that it is absolutely crazy not to grab the opportunity to get every penny we can from the Commonwealth Government for this purpose. The Premier knew (he said it in his Budget speech in 1964) that we had to do something and spend the money within the three-year period to 1967, but now more than two-thirds of that triennium has gone and no money has been spent. The Premier knows perfectly well that if we do not spend that money we shall lose the subsidy from the Commonwealth. This, quite apart from what he has already said about this topic, is absolutely crazy, and one can scarcely credit that the Premier of this State, feeling as he said he

felt about this matter before he came into office, should do nothing now to get this money.

Those are substantially the reasons why I support the motion. Something should be done and could be done by this Government if only it were prepared to do it. I agree entirely with the sentiments previously expressed by the Premier when he was Leader of the Opposition: this is an obligation and something which we, as a community, should be doing. I have no doubt at all that every member of the Opposition would be right behind the Government in this matter. Quite recently the report of the Director-General of Medical Services on the mental health services of South Australia was tabled is now on members' files. In the last few minutes I have had a look at it and, of course, it illustrates again and underlines the necessity for something to be done. Professor Cramond, who was then the Director of Mental Health, refers to the matter in his own report for the year 1963-64 which is contained in the document. However, perhaps the most eloquent support for the motion is to be found in the third table at page 17 of the report, which shows the steep increase in total admissions to our mental institutions over the last few years. There has been a steep increase indeed in total admissions and in informal admissions, and this surely underlines again the need for something to be done on this most important matter.

I hope that the Premier will be constrained, now that he has been reminded of what he said on two occasions in the past, to do something about this matter. If he is prepared to do something, then I am sure that all members of the House will respect him far more than they do now.

Mr. RODDA secured the adjournment of the debate.

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 31. Page 1470.)

Mr. QUIRKE (Burra): I do not support the motion and I hope that in South Australia we will never have a man with such a peculiar title, for I do not think there is any need for him. From my understanding of this sort of office it is one that does more harm

in intimidation, in many respects, than it does good. We have a good set-up in South Australia, in particular. We have members of Parliament in every district who are readily approachable to their constituents. If constituents have any questions on which they need further information or if they think they have been victimized in any way they can approach their member, who has access to all departments. I would not want to see that altered. I have been here a long time and have had many thousands of approaches on various matters which have caused me to get in touch with Government departments, and in all my experience I have never had a failure unless it was quite obvious that the petitioner was wrong or misinformed. I have never been bluntly written off.

Public servants are responsible people and I have had nothing but courtesy from heads of departments and Government officers, or from Ministers. All the details of a matter can be ironed out with the Minister or the officer concerned and, if necessary, in the presence of the petitioner. Whilst it might be necessary in some countries to have an ombudsman, there is no need for such a position here. I am certain that my experience would be no different from that of any other member of this House because each would receive exactly the same service from the departmental officers. If people think they are victimized they should ask their member to remedy the trouble. If this were done most of the arguments in favour of appointing an ombudsman would be negated. I oppose the motion.

Mr. FREEBAIRN (Light): I support the motion. I remind the House of its precise wording: "That a Select Committee be appointed to inquire into the desirability of establishing in this State the office of Ombudsman". This motion was moved by the member for Mitcham on August 17, and on that day an important motion dealing with greyhound racing was also before the House. I was very pleased to notice that the voting figures on the greyhound racing motion indicated that it was not treated as a Party issue. Members of the two Parties divided according to their own consciences and I hope that the same will happen when they vote on the motion now being considered.

The motion does not specifically prescribe that there should be an ombudsman in South Australia, but states "that a Select Committee be appointed to inquire into the desirability of establishing in this State the office

of ombudsman"—a very different thing from the actual establishment of the office. As far as I can discover, the definition of an ombudsman is "an officer appointed by the Legislature to investigate complaints against the Executive or the Civil Service administration". It is very difficult to discover the precise meaning of the word. The *Swedish-English Dictionary* in the Parliamentary Library states the meaning of the word "Ombudsman" as an attorney, a commissary, a commissioner or a delegate. I checked the *Concise Oxford Dictionary* and could find no reference to the word at all.

Even in the New Zealand Act, the Parliamentary Commissioner (Ombudsman) Act (1962), the actual title of the office is not defined, but the work he has to do is set out in general terms. Perhaps the title of the New Zealand Act comes close to defining the meaning of the word: "An Act to provide for the appointment of a Commissioner to investigate administrative decisions or acts of Departments of State and certain other organizations, and to define the Commissioner's functions and powers."

The word is quite definitely of Scandinavian origin. The office was first created in Sweden in 1809, and the member for Albert described the difference between the Scandinavian democratic system and our own. He made the point that perhaps an ombudsman is more necessary in a Scandinavian country where the legislative system is so different. In the newspaper *The Australian* on November 26, 1964, there was an article by the then Attorney-General and Minister of Justice in New Zealand (Mr. J. R. Hanan). At that time, New Zealand was the only country with the British form of Parliamentary Government that had an ombudsman. In New Zealand, he has a role similar to that of the Auditor-General in South Australia: he is appointed directly by the Legislature and works in direct association with the Parliament itself. He is not a civil servant or public servant in the accepted British sense. I understand that an Ombudsman has since been appointed in Great Britain and that he is in the Auditor-General's Department. The member for Mitcham (Mr. Millhouse) may know about that.

Mr. Clark: He is the former Auditor-General in Great Britain.

Mr. FREEBAIRN: I am indebted to the member for Gawler. I should think that the experience that officer had as Auditor-General

would be invaluable in his role as Ombudsman in Great Britain. Mr. Hanan states:

The office of ombudsman was introduced because we in New Zealand wanted to ensure that the citizen was always treated fairly and justly and that he was given a right to an independent review whenever the State acted in a way which he thought unreasonably affected his interests.

The whole idea of having an ombudsman in New Zealand was to give John Citizen a chance to appeal against arbitrary administrative action. Mr. Hanan also states:

There should be no misunderstanding about the reason why New Zealand appointed an ombudsman. We did not create the office because of a lack of confidence in our Public Service or because we imagined ourselves to be at the mercy of a harsh, implacable bureaucracy . . . The ombudsman's function is not to exercise a general supervision over the administrative process (a task for which he is not suited), but is to deal with the individual grievance, the complaint of a citizen who has been hurt by (or just plain annoyed at) the occasional mistakes made by Government departments.

Perhaps this may be at variance with the position regarding the Ombudsman in Great Britain mentioned by the member for Gawler. Mr. Hanan continues his description of the ombudsman's function:

New Zealand's ombudsman is very like his Danish counterpart. He is appointed for the life of Parliament, that is, in general for three years. He is appointed by the Governor-General on the recommendation of the House of Representatives. In describing his office, it may be best to point out what he does not do. First, he does not review decisions of the courts. It is fundamental that the courts remain free from interference by any person or body whatsoever.

Second, he does not review decisions where there is already a right of appeal to a court or administrative tribunal. The Ombudsman's function is not to replace existing remedies but to supplement them. Third, matters of policy are outside his jurisdiction. His concern is with administrative acts or decisions only.

I commend the motion and stress that it merely recommends the setting up of a Select Committee. If the motion is carried, as I hope it will be, the Select Committee will take evidence and make a full investigation into the need for an ombudsman in this State.

The member for Burra (Mr. Quirke) pointed out that in South Australia, which has a high ratio of members of Parliament to electors, perhaps there was no need for an ombudsman. However, the large volume of problems and complaints that members of Parliament receive makes it almost impossible

for members to adequately cope with them. For example, the Sunshine Club at Glenelg may be an instance where an ombudsman could have been helpful. I do not know the details of the problems of that club, but the member for Glenelg (Mr. Hudson) has obviously not been able to handle the difficulties of the club adequately. With that concluding thought, I support the motion.

Mrs. STEELE secured the adjournment of the debate.

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 31. Page 1479.)

Mr. CASEY (Frome): Quite a few members have spoken on this motion and the amendment, and I think there is much merit in what they have said. It boils down to whether the Government has taken the necessary action to ensure that gas discovered in the Far North will be made available to the metropolitan area and other areas of South Australia. I think that the Government has done that. After all, the Government has the responsibility of governing the State, and it has used every means at its disposal to investigate this matter. The answers that the Premier has given to questions asked during the past few months leave no doubt in my mind that the course that the Government has taken is a good one and that the facts that it has collated will, in due course, be presented to the Commonwealth Government for final determination of whether we will get financial help from the Commonwealth to make this pipeline a reality.

When gas was first discovered at Gidgealpa a few years ago, trips to the area were made by the then Premier and by other Ministers. I inquired of the then Premier on one occasion whether I might visit the gas field with him. However, unfortunately, even though I was the member for the district, I was told that there was not enough room on the aircraft, or something to that effect. That did not deter me and I visited the area several times by road. This

was not easy because of the state of the road, particularly in that area.

Mr. Quirke: It is a track.

Mr. CASEY: Yes. Here is an area devoid, for the most part, of vegetation and yet it produces something from under the soil that will benefit this State. I remember on one occasion, when I asked a young Canadian driller at the field, "What do you think of the prospects on this site?" he replied, "Well, there is no vegetation on top of the ground; surely to God we can get something from underneath!" That was the type of feeling existing on the field at that time, and the feelings of that man have proved correct because we are now seeing for the first time in South Australia a practical proposition whereby we can use the natural resources of that area.

I was intrigued by the comments of the member for Mitcham (he seems to intrigue many members of this House, particularly the member for Glenelg on many occasions), for on this occasion he was well off the beam, and I do not give him credit for doing his homework on this occasion. He does not usually make many mistakes, but during the course of his remarks he said that everything that had been done and all the money that had been risked to find natural gas in Australia had been the result of private enterprise. When the honourable member thinks about that statement he will realize that it is not fully factual because all the people who are discovering or trying to discover gas or oil in Australia are subsidized by the Commonwealth Government, with the one exception in respect of people who do not comply with the regulations laid down by the Commonwealth Government. For example, they may not comply with the required size of the bore. I think it was only recently that some people in the Eastern States who banded together to form a company criticized the Commonwealth Government for not subsidizing their ventures, but it was only because the size of the bore did not meet the required standard. Therefore, that company was denied the subsidy that other companies, particularly oversea companies, were getting. I mention that because I think the Commonwealth Government has done a good job in promoting the discovery of oil and natural gas in Australia, and I hope it continues to do so.

Several years ago the former Government invited the Bechtel Corporation to visit this State and carry out the necessary investiga-

tions. If the member for Gumeracha is genuine, why did he not appoint a Select Committee at that time? He then saw fit, however, to engage oversea companies, and no doubt he was right to do so because, after all, those people had the experience and knowledge, and that is exactly what has been done and is being done at present. It will take some time, but when all the necessary information is collated on the several aspects of this matter I have complete confidence that this Government will be able to present a case in such a manner that the Commonwealth Government will accept the existing position in South Australia and make this pipeline a reality.

The Hon. B. H. Teusner: To what extent does the honourable member think the Commonwealth Government should assist?

Mr. CASEY: If the Commonwealth Government is prepared to give a subsidy to oil companies carrying out exploration in Australia on the basis of, say, \$1 for \$2, I see no reason why they could not do that or even go a little further here. However, that is a matter between the parties concerned and, when the time is opportune, this matter will iron itself out. Gas is essential for the metropolitan area, and I believe it will help attract industries to this State. I was intrigued to read that in Victoria there seems to be talk of South Australia purchasing gas from that State. However, on investigating the position, I discover that the resources in Victoria are not as great as originally estimated, and I do not think that at this stage they are anywhere near the reserves we have at Gidgealpa-Moomba.

Mr. Quirke: Do you agree with the proposal for a common pipeline for all States?

Mr. CASEY: I think that is the ultimate; it is happening in so many places throughout Europe today, particularly with electricity, where practically the whole of western Europe, through West Germany, Austria, Italy and France, uses power generated from all sources. When one country is not using that power, it can be switched to another country. The same thing could be expected to happen in Australia over a period of time. In a case such as this we must look ahead, perhaps 20 years, rather than think in today's terms. At this stage I cannot support the motion: I do not think it meets the requirements. I think the Government has done the job, and I support the amendment as moved.

Mr. McANANEY 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 31. Page 1483.)

The Hon. D. N. BROOKMAN (Alexandra): Last week when I spoke on this motion I referred to what I thought was a considerable danger in the establishment of a public accounts committee: the possibility of misusing the powers of the committee in the interrogation of public servants. I said categorically that I did not expect members of Parliament whom I knew to have any intention whatever of bullying or insulting public servants, but the fact is that those powers would be there because a public accounts committee is necessarily given powers that it may use like those of a Royal Commission. It certainly would not be intended but there is always the possibility that one member or several members might be incensed by some actions of a public servant and they might misuse the powers given them. Whether or not that is likely, the fact that it is possible is undesirable. It is putting a new force into the legislative machinery of the State, the present principle being that we have a Government and an Opposition, and, if a department is failing, the Minister is responsible for the failure and has to answer in Parliament. That was one of my fears about the appointment of such a committee. It could mean that the advice given to the Minister by a public servant might be considerably modified by the fear that he might be examined by this committee. I do not think that is a good thing. There should be complete confidence between a Minister and his department, and the department should know that, if it lets down its Minister, he will be in difficulty in Parliament and so it will do the best it can for him, irrespective of the political situation in the State.

On the other hand, the Minister has every right to expect to get the very best advice from his public servants. I do not think he would get the same advice from them as he would otherwise, if there was a danger of those public servants being asked to give evidence and being cross-examined. This certainly applies in the Commonwealth sphere. It is not possible to give chapter and verse for specific instances, because for one thing I do not have access to the minutes of evidence of the Commonwealth Public Accounts Committee; I have access only to the report but,

knowing as I do some Commonwealth public servants, I am fully aware of the degree of apprehension within the Commonwealth Public Service at the activities of the Commonwealth Public Accounts Committee. I did say last week that I was not either criticizing or praising the existence of that committee, which has a job to do in a continent of great dimensions, and it is possible that the committee is a wise institution. It is not for us to comment on whether its setting-up was good or bad, but I know there is considerable apprehension in the Commonwealth Public Service at the possibility of questioning about the activities and statements of the departments. That arises not from a guilty conscience but from the fact that public servants want to be able to operate in an atmosphere of confidence and do not want to feel that they will be penalized as the result of having (let me say) too much imagination. Certainly, there have been things that have reached the public that I thought most undesirable.

I can well remember many years ago now the questioning of Sir Frederick Shedden by the Commonwealth Public Accounts Committee, the Chairman at that time being Professor Bland. Sir Frederick Shedden was certainly humiliated in public by that committee. I think I am correct in saying that he was the chief civil servant for defence in Australia. It was possible to get him to that committee and, in effect, make a fool of him. I have heard some of the questions that he was asked but I have no access to them, so I will not attempt to quote what I believe he was asked but, if it was anything like the questioning I have been told about, it certainly was not fair; and, in any case, the public ridicule to which he was put had a marked effect on the rest of the public servants. I should hate to think that in a matter like defence we would have a powerful committee able to modify in this way the defence of Australia. What has to be done should be done through Parliament and Ministers.

We have had evidence taken in this State by the Commonwealth Public Accounts Committee. Last year it sat in this Chamber whilst this Parliament was out of session. It took evidence on some matters concerning the collection of excise money. We, as members of Parliament, were invited to attend, and for an hour or so I attended. I am not sure whether the committee sat for more than one day but it sat for many hours, and I attended for a time and listened. The witness was an

officer of the Excise Department and the questioning was, to say the least, extremely slow-moving and there were no fireworks at all; certainly nobody was being insulted but the questioning was interrupted, I thought, by the semi-lecturing attitude adopted by the Chairman as to what the committee's functions were and how useful it would be. The witness was being asked some questions about, I think, where the key of a bond store was kept. It transpired after about a quarter of an hour that the key was kept in a box. Then followed lengthy questioning as to where the key of the box was kept. That sort of thing went on, seemingly, most of the afternoon. I left before long, but what I did notice was that, although the questioning was not heated or aggressive, it was still not exactly a comfortable type of questioning for the public servants. The committee had invited to the gallery to listen to the inquiry some private people who, apparently, would normally be concerned in the excise. The winemakers were the main ones on this occasion. There were some people whom I knew quite well, and various others connected with the industry were in the gallery listening. They had been brought along to see the fun. If this is so, I do not know what good it does. I did not think much of it. I thought it was a not very useful inquiry. I went to the library, though, recently to try to get the report of that committee on this particular matter, because I wanted to refresh my mind on what had gone on and what was the real purpose of the inquiry. A few days ago I found that the report was not available, even though that evidence was taken 14 months ago.

As we know, the Public Service is not always fully attractive for employment. We find that for various reasons many private employers can offer attractions, and therefore good men are often lost to the Public Service. I believe the establishment of a public accounts committee would certainly tend to make the employment of senior public servants even less attractive. When I was in the Government one of the departments I had as part of my Ministry was the Chemistry Department, and frequently officers from that department were called to give evidence in court about blood testing. When a prosecution is launched against a person (usually a motorist), one of the analysts has to attend the court and give evidence. This is extremely burdensome to the officers, to whom long periods in court are most embarrassing. Often the questions they are asked, mainly relating to the process of blood testing,

are of an extremely searching nature, and it is apparent that officers were being lost to the department because they did not want to go through the mill, as it were, again and again in these court appearances. I concede that there must be some means of making proper interrogation in court cases. However, the point I am trying to make is that if we had a Parliamentary public accounts committee we could have an extension of interrogation to every branch of the Public Service, and it would not help to make that employment attractive.

This motion does not actually specify whether such a committee would be a joint committee. However, let us assume for the moment that it was to be a joint committee. At present we have 39 members in the House of Assembly and 20 members in the Legislative Council. Of those 59 members, nine are Cabinet Ministers; one is the President of the Legislative Council and one is the Speaker of the House of Assembly; one is the Chairman of Committees in the House of Assembly; four are Party Whips (these are important posts in themselves); and two are Leaders of the Opposition in their respective Houses. Now it is scarcely conceivable that any of those 18 members could be selected for membership of a public accounts committee. Then we have a number of important Parliamentary committees. Without intending any disrespect to the Printing Committee and the Library Committee, I point out that those committees are not so important as the larger ones, so I shall mention only the latter.

Apart from the 18 members who are Ministers or who have other positions in Parliament, we have the Public Works Committee, consisting of seven members; the Land Settlement Committee, also with seven members; an Industries Development Committee, consisting of five persons of whom four are members of Parliament; and a Subordinate Legislation Committee, with six members. Therefore, there are 24 members on these committees. To my mind, the 18 members that I mentioned first are disqualified from holding other positions, and the work performed by these other 24 members on committees is onerous enough in itself to disqualify them from membership of a public accounts committee. Therefore, it means that there are only 17 left out of the 59 from whom the members of such a committee could be appointed.

I think this would be grossly over-loading the work of Parliament. Such a committee could not look at all the departments; it could make its own selection, and undoubtedly it

would take a lead from the Auditor-General's Report, on which it would naturally rely to a great extent. However, it need not confine itself to that ambit, and in this respect it would be far more powerful than a Royal Commission, because I do not know of any Royal Commission that has the power to, in effect, widen its own inquiry. Such a committee would be able to pick its mark according to the mood of any one of its members, provided that member was able to persuade the rest of the committee. On the other hand, the committee could not investigate all of the departments, and if it investigated a department once it would perhaps be many years before it could get around to investigating the same department a second time; and possibly it would never get around to doing this.

The fact that the committee would be able to interrogate public servants is, to my mind, quite undesirable. Public servants are often appointed for their outstanding ability as technical officers in their particular fields. Those officers may be brilliant in their own fields, but that does not alter the fact that they may be very poor advocates of their own cases. For instance, a seismic-geologist or a scientist is not necessarily good at putting his own case to a group of laymen or answering questions from laymen, very few of whom would be very well informed in such a field.

Summing up, I consider that the present processes of Government are fair and reasonable. First, we have a Parliament to which the chosen representatives of the people are elected. We have a Government that has the power to go ahead with the job of running the country, and an Opposition that has the privilege and responsibility of checking the Government and, if necessary, opposing its actions. We have a free press, which is also vital in a democratic community. With those four essentials, why do we want to bring in a completely new force, which would certainly be able to make some justified criticisms—there would be no doubt of that—but with far less certainty be able to do any good work? A committee could only carry on post-mortems of what had happened, and the disadvantage would be the loss of confidence within the Public Service and the consequent loss of the use of initiative by various public servants who might be afraid of the activities of the committee. I oppose the motion.

Mr. RODDA (Victoria): When the member for Albert moved this motion, he said that the committee would do four things, which

he listed under paragraphs (a), (b), (c), and (d). When one studies each paragraph one finds that it has a broad application indeed. The mover said that the idea of such a committee was not new and he recalled when the House of Commons first set up such a body in 1861. He further reminded the House that Mr. Gladstone described it as the completion of the full circle of finance control vested in the Parliament, and said this was incomplete until this committee had completed its job.

From what I have read, this is not the first occasion on which a South Australian Parliament has considered a committee of this type being set up within its jurisdiction. I have been interested to read the debates that have taken place down through the years on the pros and cons of the matter and the attempts to bring about such an establishment. It is equally interesting to see some of the great names in the State's Parliamentary history who have been advocates and associates of moves to set up this committee. Despite this distinguished support, however, it has failed to see the light of day.

In 1924, Mr. R. L. Butler (later Sir Richard) moved for the setting up of such a committee and he was supported by Mr. H. D. Young, Mr. Malcolm McIntosh (later Sir Malcolm), and Messrs. Price and Harvey, with Mr. Peter Allen opposing the motion. I understand the prorogation of Parliament defeated them in 1924. In 1959, the then Leader of the Opposition, the late Mr. M. R. O'Halloran, moved a similar motion. I do not know whether the Opposition was not sufficiently convincing, but we still did not see the public accounts committee come into being. I was not here in those palmy days, however, so I cannot comment.

The Public Works Committee, which is under the chairmanship of my colleague, the member for Onkaparinga, is doing valuable work for the State. This committee has an advance look at a particular job. The public accounts committee would have a look at the job in retrospect, and hindsight is always a good thing. It never does anyone any harm to see how the balance stands and to take stock of the situation. Sometimes, even if the truth of the matter is a little unkind, the benefits of re-appraisal and making an adjustment here and there can be beneficial to most undertakings. Most successful businesses keep a firm hold on the purse strings, which is a good thing. I know this to be so even in relation to my farming undertakings.

The member for Albert expressed a belief that a public accounts committee would strengthen the status of Parliament in relation to the Executive, and I agree with him on this point. It would sharpen up a private member's assessment of financial matters appertaining to the State. The member for Stirling, who would not be at the bottom of the class when it comes to financial matters, had some pertinent things to say on this subject. He emphasized the need for a balance between practical experience and the skilled ramifications of the experts. This was a sound observation, and each facet mentioned complements the other. There need be no writing down of specializing, and we can take some consolation from the success of experience. Blend the two together and you have a happy medium, and a public accounts committee, with its all-seeing eye, could be this medium. I say that with all respect to the member for Alexandra.

I do not believe that the House, in setting up such a committee, would put the State to a great expense. I understand that similar bodies in the Commonwealth and the several States that have such a committee have small limited amounts appropriated to them each year. It would perform a valuable function in looking at the expenditure of public moneys and the committee could summon a person to give evidence on oath in private or in public or to produce documents. This would give the committee power to make examinations far beyond the scope of the ordinary member of Parliament, and this is particularly important.

In the short time that I have been a member of this House I have seen this new Government's Budget and Loan Estimates run the full gamut of the allotted time and I have seen such things as deficits foist themselves upon the community. There was long debate on the Estimates and Budget last year, and we are now going through the paces of this year's documents of State finance. All the talk, learned assessments, wise-cracking and financial advice will not make one iota of difference to the tracing board of the State's financial planning for this year of grace. True, members have an opportunity to question Ministers on the lines and in the Budget debate, and we can get on our hobby horses and enjoy the privilege of giving the House the benefit of any particular causes to which we may have particular leanings. In addition, members have the opportunity of criticizing the accounts and items of expenditure, yet they lack the ability to make a close scrutiny or examination of what is going on in the State's financial administration.

A committee of members from both sides of the House would be able to do this and would help the Government irrespective of its complexion. This country has a big future, especially with oil exploration and natural gas discoveries, the harnessing of our natural resources, new horizons in agriculture, and a common understanding between town and country dwellers, and I believe we are on the threshold of exciting and prosperous times. We must have faith in our future and be prepared to plan and work for it. Governments will be called upon for greater efforts, together with wise and responsible planning. Finance is Government and Government is finance, but a public accounts committee, using the best brains available to Parliament, could be and would be of informed and valuable assistance to Ministers of the day. I support the motion.

Mr. MILLHOUSE (Mitcham): I, too, support the motion, and I must say that the attitude of the Government in this matter is just one more example of the way in which its members said one thing before they came to office and now do another. I think I am right in saying that this motion is in the same words as one introduced several years ago by the then Leader of the Opposition, the late Mr. O'Halloran.

Mr. Freebairn: Isn't it in their platform?

Mr. MILLHOUSE: It is in the same form as a motion introduced by the member for Albert last year. The Government is undoubtedly trying to delay setting up a public accounts committee, despite the fact that it was vociferously in favour of it before it came to power. Last year, when the member for Albert placed his motion on the Notice Paper, the Government gave notice of a Bill to set up this body and persuaded the honourable member not to go on with his motion. However, the Government did nothing about it and allowed the matter to lapse. In this session it is likewise doing nothing, but before they came to office Government members were absolutely in favour of a public accounts committee. This is one more example of the hypocrisy of the present Government. I now favour the setting up of a public accounts committee and, in advancing my argument, I rely on three authorities. I should have thought that they would be sufficient to convince even the Government that a public accounts committee was required. The first document to which I refer is the report of the Clerk of the House of Assembly on his return from a visit to the House of Commons. He dealt specifically with the appointment of a public accounts

committee. His report is in the Parliamentary Papers of 1963-64 and any member who wishes can look at it. On pages 15 to 17, under the heading "Public Accounts Committee", he sets out the history of the committee in Great Britain and the valuable services it renders in that Parliament. As the member for Victoria just did, he quoted the words of Mr. Gladstone, and stated:

The Public Accounts Committee has been in existence in the House of Commons since 1861. In 1866 Gladstone, in speaking on the second reading of the Exchequer and Audits Department Bill, remarked that the last portion of the circle of Parliamentary control of finance 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."

Mr. Quirke: They have made a mess of it since.

Mr. MILLHOUSE: What was true in 1866 and what was said by Gladstone is true today of the South Australian Parliament. I am not asking members opposite, who are jeering at the moment, to accept what I say.

Mr. McKee: I was thinking about what you said—

Mr. MILLHOUSE: The member for Port Pirie thought I was referring to him, and he came in like the tide. I do not know what the honourable member thinks of what the Clerk of this House said.

Mr. McKee: Remember what you said about this when you were in Government?

Mr. MILLHOUSE: I shall deal with that in a moment. This is what the Clerk of the House recommended when he returned from his trip:

In my opinion, Parliamentary control of public finance will remain incomplete until the House of Assembly appoints a committee with functions similar to those of the Public Accounts Committee of the House of Commons.

With that view, I respectfully agree. The member for Port Pirie has been kind enough to interject and remind me of my views when the matter was introduced by the then Leader of the Opposition. If he cares to look at what I said then he will see that I said I was sold on the idea of a public accounts committee, but at that time I doubted whether the House was large enough to support it. I still have my doubts about that, but I think now that it probably is, and in any case I hope that it is the policy of both Parties in this Parliament to increase the size of the House of Assembly. I have no doubt that if the number of members

were increased it would be sufficiently large to support a public accounts committee. That is why the objection or doubt I had in my mind about this before is resolved in favour of the committee.

I have quoted from a completely impartial authority, a chap who, I suppose, is better versed in Parliamentary procedure and practice than is any other person who comes into this Chamber, and I have reminded members of his recommendation after his visit to the House of Commons. I turn now to another document, a pamphlet prepared by the present Chairman of the Commonwealth Public Accounts Committee, Mr. Dick Cleaver, M.H.R., the member for Swan, Western Australia. He has been kind enough to send me a copy of the pamphlet he has prepared on the role and activities of that committee. This is what he said, and if it does not convince members opposite and the member for Alexandra that something should be done (and the member for Alexandra reflected in some part on the work of this committee), I do not think anything will. Mr. Cleaver stated:

The Federated Taxpayers' Associations of Australia have advocated regularly a greater control over departmental spending. It believes that the American type of commission might place the necessary restraint upon a Government to see that vast empires are not created beyond the actual needs of the nation. This association has commended the activities and reports of the Public Accounts Committee and has proposed that increased staff and funds should be provided to intensify its programme.

Chambers of Commerce and similar bodies have been outspoken about Parliamentary control of the Government purse being exercised at all levels of Government and the need to prevent the Executive and senior public servants from administering the country's affairs with unfettered financial powers. A tribute to this Commonwealth Public Accounts Committee is the fact that several State Parliaments have either established comparable committees for their administrations or have demonstrated a desire to proceed in this direction. Under its own legislation, the Territory of Papua and New Guinea only recently established a Committee of Public Accounts and the Commonwealth organization will assist it in every possible way to achieve positive results and to benefit fully from experience built up over the last 14 years.

I shall not go through all the report, but I hope other members in the House will be interested enough to have a look at it. On the concluding page of the pamphlet, Mr. Cleaver states:

The committee, reviewing the work of earlier years, believes that ample instances are apparent of constructive criticism, streamlined procedures, amended regulations, instructions

and Budget papers being accepted and appropriate action taken, to justify a reasonable confidence that the work has paid handsome dividends.

Finally, he says:

Inherent in the service given is the deep conviction that Parliamentary supremacy is truly enhanced when a public accounts committee functions with freedom and encouragement from all sides.

What is true in the Commonwealth sphere could be and should be equally true here in South Australia. The third document to which I refer was tabled only yesterday in this House. It is the Auditor-General's Report, the Auditor-General being one of the servants of Parliament. Because this is so important, and because it is the opinion of a man whom we all respect, I shall quote what the Auditor-General says. He discusses, first, Loan Fund payments and the interest and sinking fund payments that have to be met from the State's revenue, and concludes the paragraph on page 2 by saying:

I have previously commented that, because of the debt charges factor, it is essential that costs should be kept to a minimum.

Then, the Auditor-General goes on to say:

Although the cost aspect is considered by the Public Works Standing Committee, all projects are not submitted to this body. In my opinion there should be some authority (possibly attached to the Treasury) competent to review projects, such as public buildings, schools, etc., to ensure that these provide necessary requirements at the lowest possible cost. In the case of works to be submitted to the Public Works Standing Committee, a review before submission could save a considerable amount of committee time. The standard of projects should be in accordance with what the State can provide from its financial resources.

Additional public debt charges, aggregating with each year's Loan programme, together with increasing costs generally (which include increased rates of interest on new and conversion loans) will make additional taxation essential. Unless the cost factor is given greater scrutiny, additional imposts could be even greater. This does not, of course, apply only in the matter of buildings and public works but to all aspects of Government administration.

This is the result that a public accounts committee could, and should, bring about. The final thing I mention from the Auditor-General's Report is his reference to what he describes as gross inefficiency in one department in an overpayment of \$747. I do not know which department it is, from the Auditor-General's Report, but the occurrence is obviously something that the Auditor-General himself regarded as serious. That sort of thing would be discouraged if departments knew that a public accounts committee scrutinized the way

in which they had spent the money appropriated to them by Parliament. In other words, it is the completion of the circle of Parliamentary responsibility, as Mr. Gladstone said. I do not believe that the views of those three authorities (our own Clerk, Mr. Cleaver, who is the present Chairman of the Commonwealth Public Accounts Committee, and the Auditor-General's comments tabled in this House only yesterday) should go without any heed at all. I hope the Government will not in this case run true to form, that is, saying one thing before it came to office and then doing another when it is in office. I hope in this case it will live up to what it said it would do and not any longer merely block the establishment of this committee, as it has now done quite successfully for the last 12 months or more.

Mr. SHANNON (Onkaparinga): I will not support this motion, but I shall use some of the criteria used by my good little colleague the member for Mitcham to refute the proposal that has been advanced. I shall start by dealing with the Auditor-General, because he is, in my opinion, a man of whom we must take note. The member for Mitcham, who correctly quoted from the Auditor-General's Report that has just been tabled in Parliament, placed a wrong construction, in my view, on suggestions made to Parliament by the Auditor-General. The Auditor-General wisely points out (and this is something to which I referred last night when speaking to another debate) that much expenditure on various public works emanating from all departments in the State was not examined by the Public Works Committee by virtue of the provisions in the Act. However, projects whose costs have approached the limit in the Act have occasionally been referred to the committee for investigation, because the Minister concerned considered it was merited.

The Auditor-General's wise suggestion should be welcomed by any Government. A small committee of experts for this purpose is suggested by the Auditor-General, to be attached to the Treasury. I can see no better method of administering this particular function, because the Treasury has to find the funds for all the departments' activities. The Auditor-General suggests that no project referred to the Minister concerned should be proceeded with, without first being examined by this small group of experts. He does not suggest one man; indeed, I do not think the selection of one man would be wise. It should be perhaps a committee of three men with

varying skills in the various aspects of investigating a project, not only from the financial angle but also from the physical angle, to ensure that the project was sound in every respect. That, in my view, would have an admirable effect on State expenditure; it would meet the problem before the event, which is much more important than undertaking an investigation some time after the money has been spent and after investigating why it was spent and whether it was wisely spent—in other words, resurrecting the dead and examining the body. That does not, in my opinion, meet the requirements of sound Government finance.

The Government could (as happens in the case of some companies) encourage specialists to examine its accounting or production methods. Certain companies employ experts to advise on certain aspects of their operations. Of course, that is an attempt to prevent unnecessary waste in their organizations. In fact, the Auditor-General is suggesting just that: he suggests a procedure exactly in keeping with sound company practice followed by private enterprise. Companies examine their affairs so that they can recognize possible leakages and see that they are plugged. Thus they do not allow leakages to continue for any substantial period.

I do not know how often a public accounts committee would conduct investigations, whether biennially, annually, or half-yearly. I suppose that would have to be decided if and when such a committee were established. However, whenever its investigations were conducted they would obviously be after the completion of a project and after the money had been spent. I entirely agree with what the member for Alexandra (Hon. D. N. Brookman) said about the unsettling effect investigations by a public accounts committee could have on some of our highly-ranked public servants, in whom we have implicit faith for the good reason that we have had long experience of them. We have seen over the years that they have proved their competency in their various departments. If a public accounts committee conducted an investigation into the expenditure of a department, highly-ranked officers of that department would have to prove, in effect, their innocence. Of course, it may be said that an innocent man has nothing to fear but any innocent man does not have his confidence encouraged by being cross-examined about his affairs. The fact that a head of a department would be cross-examined about some of the projects for which he was responsible would suggest that perhaps he had not done

as well as he could have done. That is one of the aspects that could have a disquieting effect on some senior officers of the Public Service.

In my long experience on the Public Works Committee I have taken evidence from senior officers of various departments in this State and of departments in other States. As a result of these investigations I know that this State's officers compare more than favourably with officers of other States. I say that without fear of contradiction and it is accepted by members of my committee, whose experience in this regard has been the same as mine. I would not favour creating any suspicion in the minds of these officers that a committee was being established to investigate their work after it had been carried out. Conversely, the Auditor-General's proposal is not only sound in principle but it would also encourage and help departments because they would know that, whatever project they put up and whatever its cost, these matters would be examined by a panel of people who, I hope, would be of such a status that departmental officers would have confidence in them. This would encourage departments and would strengthen the position of the heads of departments.

Of necessity, many minor tasks that fall to the lot of bigger departments, such as the Public Buildings Department, have to be farmed out by the head of the department. Large departments undertake a great variety of projects throughout the year and some of the officers on the lower rungs of the ladder must sometimes accept responsibility for preparing a project. Such projects might not be very intricate, but nevertheless if a head of a department knew that, when he delegated the task of preparing a project for a school building, police court or a similar project, his officer would have his work examined by this panel suggested by the Auditor-General, then he would have confidence that nothing would slip by. Quite obviously one man cannot do all the work and it would be ridiculous to suggest that the Director and Engineer-in-Chief of the Engineering and Water Supply Department should give his attention to everything that passed through his office. That would be a physical impossibility.

We have two possibilities: first, a panel to examine projects before their implementation; and, secondly, a committee to investigate expenditures once they have been incurred and the projects completed. It appears to me unarguable that the first approach is the proper one.

This procedure is adopted for projects costing in excess of \$200,000, which is not much money these days. In fact, a project of this size is fairly small for a Government to undertake. However, we accept the principle and lay it down by Act of Parliament that projects of this size shall be investigated objectively by a committee which can have no possible interest in the outcome of the investigation. Members of the Public Works Committee examine matters and report fairly and squarely to the House on what they consider to be the proper course to be adopted. From my experience, this is a good check.

In every case, departmental representatives called to give evidence to the committee about a project put forward by their department have expressed the greatest confidence in the committee and have been pleased that it is looking into the project. If the committee supports a project these officers feel they have had support from a committee which, although made up of lay people, because of practice has some skill in investigating such matters; they feel that their judgment has been confirmed. There has never been an occasion where a head or senior officer of a department has come before the committee in fear and trembling of what he was going to be asked. On the contrary, their approach to the committee has been confident and they have been prepared to back their opinions, to answer our questions and even to go back, if necessary, and revise some aspect of the project before the committee. Revision of a major project has not been infrequent. Such a course is followed only when the committee has evidence, from somebody in whom it has confidence, to the effect that some aspect of the project requires further examination.

The work of the Public Works Committee is done before expenditure on projects sent to it, by law, for investigation and report. If the committee had failed in its function, had not advised Parliament adequately, or had not provided sufficient information about a project to members then I am sure we would have heard about it. In my long experience on the committee since 1941, I have not known one occasion where a recommendation or report with a recommendation attached has been criticized, let alone attacked, by a member of Parliament. Surely that is a fairly clear indication that this method of conducting the affairs of State has been accepted by Parliament.

I know that Victoria and Tasmania have Public Works Committees and that the provisions of the legislation under which those committees operate differ from the provisions

in South Australia. I think I am correct in saying that our Act directs the Government that it cannot spend a penny on a project estimated to cost more than \$200,000 until a report has been issued by the committee. The Government cannot assume that the committee will recommend even such a simple project as a Samcon school. The school may be of a standard design to cater for a specified number of pupils and, with due respect to my committee, there is little we can do about it, as the department knows.

I say these things so that members will know that we are not going along entirely unguarded at present. We are, however, unguarded on matters that involve amounts less than the \$200,000 and that would depend primarily on the departments concerned, which prepare the plans and estimates of cost. People may say that the Minister in charge of the department concerned is responsible to Parliament, but I point out that the investigation of the larger projects that come before the committee is time consuming. The committee cannot merely say that a complicated project appears to be in order. Proper examination takes time, and I defy any Minister to say that he has sufficient spare time to enable him to go through all the projects that concern his department. I should not call a Minister to account in Parliament merely because he did not personally examine a project submitted to him for approval.

The Hon. G. A. Bywaters: Some people do.

Mr. SHANNON: Some people are not polite and fair in charging others with certain things. I am not saying that because the Minister who interjected happens to be on the front bench at present. My Party has had Ministers, and will have them again. My approach is the same regardless of who is in Government. Ministerial responsibility is important and, although I do not want to whittle away that responsibility in any way, I suggest that Ministers of the Crown ought to realize the possible leakages or extravagances that can occur in departments because time does not permit all that is necessary to be done. The investigating committee that has been suggested by the Auditor-General (Mr. Jeffery) seems to be something that I, were I a Minister, should be anxious to have. I do not object to the Auditor-General's suggestion that even major projects could be looked at by this committee before they were submitted to the Public Works Committee.

The Hon. D. N. Brookman: That committee would report to the Government, wouldn't it?

Mr. SHANNON: Yes. It would not report to Parliament. The Auditor-General regards the Government of the State as a business enterprise and suggests that a panel of experts be set up to check over Government departments before expenditure is incurred, not after. That is sound business practice and common sense. I am not in sympathy with the proposal for the establishment of a public accounts committee. I know that authorities can be quoted and that experts consider that the setting up of such a committee is a sound approach to finance. However, such a committee can only make investigations when a project is *fait accompli* and the result of its investigations can be merely a guide for the future.

A finding that a mistake had been made 12 months earlier would not do more than sharpen up the department concerned. The committee would not be able to examine a project before expenditure was incurred and any loopholes or leakages in the application of Government funds would persist *ad infinitum*. A public accounts committee that wanted to justify its existence would try to find fault with something and perhaps it would find faults that a normal decent man would overlook because 99 per cent of the projects submitted by the particular authority had been good and there had been just one slip. A mistake may result from overwork, rather than from inefficiency, and I know that this could apply in some Government departments.

To shut the door after the horse has bolted is not the correct approach. I favour investigation by a panel that would report to Cabinet or to the Minister concerned with the project. If a Minister had any doubt after perusing the report, he would be unwise if he did not take the precaution of submitting the matter to Cabinet. The Auditor-General is concerned about unnecessary or wasteful expenditure and his remark about the load to be carried as a result of wasteful expenditure is appropriate.

Future generations will carry the burden of mistakes that are being made at present, and I agree with the Auditor-General when he pinpoints the fact that losses that accrue because of mistakes made by any Government have to be paid for and that the burden is mounting continually. Of course, some of the mistakes cannot be avoided. Of necessity, with the growth of the State they must increase. I regret that I cannot support the motion for the appointment of a public accounts committee. I am not a great believer in autopsies unless the man concerned is a medical man, who can learn something to

save life later. Autopsies in the financial field create only ill feeling and a sense of unrest in the people whose affairs have to be investigated, no matter how good they may be. The knowledge that their affairs are to be investigated must have a disturbing influence on them in their day-to-day work.

The Hon. R. R. Loveday: But what about wasteful expenditure?

Mr. SHANNON: On that point, I think it is a waste to tell Parliament after the event, that the Government had wasted, say, \$400,000 by unnecessary expenditure last year. I should like that to have been considered before the money was spent. Hence, I cannot support my colleague from Albert in his motion, but I should like to hear from the Government benches at some time in this debate that the Government is taking at least some interest in a proposal made by the Auditor-General, which I think is very good.

Mr. BROOMHILL secured the adjournment of the debate.

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 31. Page 1484.)

Mr. SHANNON (Onkaparinga): In the unavoidable absence of the member for Flinders (Hon. G. G. Pearson) who is away, as every member of this House knows, on a mission that we all regret (attending the funeral of the late Mr. Octoman) I am taking up the cudgels, and this time to make the balance right I shall be really independent and have "one each way". I shall not today lay the whole blame, as some members expect me to, on the Government. Some blame I cannot avoid attaching to it. Mainly, its enthusiasm for certain avenues of expenditure in the State's affairs has left the Government a little high and dry as regards the more important matters affecting the real

economic progress of the State. I say that with all kindness. I do not want to be hypercritical and take all the kudos for being a good boy and knowing all the answers. I do not, but I believe two heads are better than one. I agree that enthusiasm is a good thing. I do not take the credit for knowing the answers but, as regards the policy at present being pursued in South Australia, we are doing a few things that will discourage industries (and especially industries that we should like to welcome here) moving to this State.

The first thing is the increase in our level of taxation. If it is the policy of the Government to level up State taxation in South Australia to that in the Eastern States, then the concomitant of that levelling up of taxation is the further decreasing of the ability of South Australia to compete in our markets on the eastern seaboard. This means that we have some leeway to make up as regards not only the cost of transport, which is only one item, but also the unavoidable heavy costs of warehousing and distribution. If we are to lift the level of taxation in South Australia to match that of our eastern neighbours, we shall lose some of the benefits enjoyed by us over the years by virtue of lower State taxation.

Secondly, I think the general tenor of business in Australia is not as unsound as some people would have us believe. I cannot see a recession coming. I was chipped last night by the Minister of Agriculture when I was dealing with the Budget, that Sir Henry Bolte and Mr. Askin were suffering similar disabilities to ours.

Mr. Casey: I think you can throw in Western Australia there, too.

Mr. Quirke: The best way is to leave no-one out.

Mr. SHANNON: If you all want to be in that basket, you will all be Job's comforters. Some members would not agree with me when I say that we shall not have the economic difficulties in Australia that we originally anticipated. Australia is fundamentally sound. We have a tremendous heritage of untapped wealth, and we have not yet started to really tickle the fringes of it. We read in the paper about the Rum Jungle find of something possibly even better than Broken Hill. It gives us a real start: it is as though we have had a shot with a needle.

Mr. Quirke: They gave that away, too.

Mr. SHANNON: But it is still in Australia, and we cannot give Australia away, thank

goodness. We would all enjoy some of the benefits that would be derived if the find were proved—and it could be proved. We have been 150 years finding it.

Mr. Casey: Not bad!

Mr. SHANNON: Not bad, but not very quick, either. However, this only pinpoints the fact that we do not know now what the next 100 years will reveal in natural wealth not yet tapped in Australia. I am sure (and in this field I speak with some confidence) we shall make tremendous strides forward in both the agricultural and the pastoral industries. We still have not reached anywhere near the peak production of the land now occupied. Within the memory of everybody here, including the member for Albert, is what used to be called the Ninety Mile Desert. The honourable member's area is now known as Coonalpyn Downs, and it is a smiling countryside, carrying untold numbers of sheep and cattle and growing many millions of bushels of grain. I mention this to show that we still have opportunities for advancement and expansion. I am an optimist regarding the future of this country, and I do not see any need to be a Jeremiah and to say that we are in for another depression. In fact, I do not think another depression will ever occur. It would be a sad state of affairs if we could not arrange our affairs better than we did in the late 1920's and early 1930's, when we witnessed the greatest tragedy in our history.

The honourable member for Gumeracha already has something on the Notice Paper regarding the necessity to expedite the construction of a gas pipeline from Gidgealpa to Adelaide to assist our industries. Such a pipeline would give a tremendous fillip to this State. If there is one thing South Australia lacks more than anything else it is natural fuel. Leigh Creek is a comparatively small pocket, and the fuel from there is only a comparatively reasonable fuel. We have no lignite and none of the fields that exist on the eastern seaboard of Australia, so we are relatively poor in natural fuels. If natural gas could be piped to the metropolitan area of Adelaide it could serve not only this area but also the industrial cities of Whyalla, Port Augusta and Port Pirie.

Mr. Hughes: And Wallaroo.

Mr. SHANNON: At the moment Wallaroo is dead but will not lie down, and it will need a prod from somebody. Whether or not Wallaroo is a suitable place for industry is a matter to be decided. I would hope that it is

suitable, and that we could even have industry in a place like Peterborough, which is not a bad country town. Also, I would hope that industries could be established along our Murray River. Power and water are two essentials to any successful industry.

I should like to encourage the Government to bring in outside capital to get this pipeline established. I know that various projects have been put forward by people who have untold wealth to invest, but these people want too big a return for their money. However, I think that provided the cost was reasonable money from outside Australia could be found for piping our gas. It would be a wonderful thing if all our resources of natural gas could be linked and brought down in one major pipeline. Although we have long distances to cover around the fringe of our coastline, I do not for a moment agree that such a linking up of these gas resources is unrealistic or that it is an uneconomic proposition. On the contrary, I consider it would give a tremendous fillip to Australia's manufacturing capacity.

I say that with all due deference to people who maintain that we cannot afford things because we have a small population and are not wealthy by standards that we can measure with countries overseas. I admit that we do not have the accumulated wealth that has been available to some overseas countries, but in the short time we have occupied this country we have not done too badly. Admittedly, we do not have vast resources for a project such as this. Therefore, I am prepared to use the other fellow's accumulated fat in order that we might immediately start to achieve some of the benefits this natural gas will provide for the whole of this country. Of course, this will mean sinking some of our petty State jealousies, the need for which, in my opinion, is over-estimated, and it will be necessary to look at this matter in the larger field of Australia as a whole. Obviously, anything that affects the welfare of Australia as a whole affects all the people in Australia, and we will all share the benefits of any increase in our capacity to create further national wealth.

I hope the Government will not think just on State lines, and that it will not necessarily insist on a State-owned pipeline. If we can get a suitable financial agreement with people who have the money to invest, we should not wait until we can afford to build the pipeline ourselves. We cannot afford to wait, for it would be much less costly to pay a reasonable

sum to the people who find the capital. It would enable us to get immediate benefits instead of waiting for 10 or 15 years until we could finance a pipeline ourselves as a purely State project. Although I might be prepared to admit that I should like the pipeline to be our own, I see difficulties in achieving that. In fact, I see the slow progress we are likely to make if we insist that the pipeline be purely a State undertaking. The benefits that we would derive from having gas available to our industries at an early date would more than offset the cost attendant upon outside assistance to achieve it. We must cut costs in industry, and fuel costs are fundamental.

With those few comments, I support the motion. I am still optimistic about this State's future, despite the fact that for another year or so we shall have to put up with a spendthrift Government. I believe we will be able to survive even that. Although the Government might do its best to break the State, something will be left. Here is one way we can pick up the leeway quickly, because it will put South Australia back into the competitive field for secondary industries. It annoys me to know that we have industries that are flagging, and that brickworks are stockpiling bricks, because I cannot reconcile that with South Australia's future. It is a passing phase, but the Government must consider certain factors that it has overlooked, particularly our competitive ability to sell on Eastern States markets. The Government must realize our manufactured goods have to compete in markets where the population is greater. It is worth while to encourage industries to establish in this State, but apparently the policy of the present Government is to discourage them, which I regret.

The Hon. Sir THOMAS PLAYFORD (Gumeracha): I do not support the amendment, but I do support the original motion. I was surprised that the member for Wallaroo was chosen to move the amendment as a vote of confidence in the Government. The Wallaroo District is one part of the State that has been neglected by this Government. The member for Wallaroo knows that for some time steps have been taken by the Mayor and members of the district council to start a fertilizer chemical industry at Wallaroo. A firm was prepared to establish there, and repeatedly the local people have tried to obtain some assurance from the Government that natural gas would be available, and the terms and conditions under which it would be available. These

people came to see me as Leader of the Opposition and asked if I could help—

Mr. Hughes: This is good news.

The Hon. Sir THOMAS PLAYFORD: —the project and obtain information about the supply of gas and where it was likely to go. Obviously, I was unable to obtain this information and suggested they see a Minister. They said they had tried unsuccessfully, and I then suggested they see Mines Department officers. Finally, I think they were told by those officers to tell me that I was no longer the Premier but only Leader of the Opposition and to mind my own business. That did not concern me, but it did concern the people of Wallaroo and the oversea firm that was negotiating. It was touch and go whether the firm would renew the option on the land, but I believe it has been renewed. If the honourable member for Wallaroo can give information enabling this industry to be established or if he can inform it of any authority that can give it information, I shall withdraw my remarks and support his amendment. Obviously, no information is available to it: it has been cold-shouldered since the start of the negotiations, as has been the town of Wallaroo.

Mr. Hughes: That is not true.

The Hon. Sir THOMAS PLAYFORD: I was surprised that the member for Wallaroo was chosen to move this vote of confidence. Usually, the member for Glenelg steps in if there is something to be done.

Mr. Coumbe: If he gets permission!

The Hon. Sir THOMAS PLAYFORD: The member for Glenelg gets publicity and will stick his neck out, but on this occasion he seems to have had some limitations. He does not usually have them, so that it has been left to the member for Wallaroo to move this significant amendment to turn the motion, which was to bring before the House something that is important and material to the State and upon which the welfare of the State largely depends, from a non-political question into a political question.

Mr. Lawn: It has been that for years.

The Hon. Sir THOMAS PLAYFORD: I would be happy to attend a meeting at Wallaroo with the honourable member if he could explain what the Government had done for Wallaroo and so justify turning the motion into a vote of confidence.

Mr. Lawn: They already have confidence in the member for Wallaroo.

The Hon. Sir THOMAS PLAYFORD: They will rapidly lose it, and lose it at the first tangible opportunity they have of expressing

the opposite view. Whether we desire it or not this is a topic that has had some political background. At the election before the last one I stated that if my Party were returned it would set up a Premier's Department, having as its chief responsibility the establishment of industry in this State. My Party was returned but not with a constitutional majority. The legislation was introduced, but the members of the present Government when in Opposition voted against the measure, and we were denied the opportunity to appoint a ninth Minister or to establish the department to which the motion of the member for Torrens referred.

Mr. Coumbe: It was rejected twice.

The Hon. Sir THOMAS PLAYFORD: Yes, but when the Labor Government came into office it did a complete somersault and asked the House to give it the ninth Minister, although it had stated at the election that in no circumstances would it do that. The Opposition supported that request and the request for the establishment of what was, in the Opposition's view, one of the most important things this State had had to consider, namely, the establishment of industry in South Australia. Unless we establish new industry in this State, not the slightest doubt exists that we shall fall behind the other States and be unable to take part in the intensifying competition that now exists.

Mr. Lawn: What happened—

The Hon. Sir THOMAS PLAYFORD: The Chairman of Committees knows that it is not in accordance with Standing Orders to interject. Indeed, he frequently pulls me up when he is in the Chair, and I ask you, Mr. Speaker, to remind him how Standing Orders apply in this matter. This is a time in Australia's history when the motion is significant; everyone knows that Australia faces a great destiny. In a few years we shall have a population not of 11,000,000 but of 20,000,000. Everybody should know that Australia is to be a large supplier to Asia not only of raw materials but also of manufactured goods. We know, too, that because of our locality and the enormous wealth of raw materials, our climate, and the oversea associations that give us the necessary know-how, this country has a great future. We are not plagued by racial problems; no division exists in that regard. We are significantly of British descent. Everyone should know, too, that at present oversea investors are most anxious to outlay capital in what will be one of the future great and wealthy sections of the world. However, if we fall behind, we shall lose the opportunity to enjoy a great period.

I do not think anyone at the end of the Second World War envisaged the industrial revolution that has taken place in Australia. Anyone who is a pessimist about this matter and who has any reservations about it should take the trouble to see what is happening, even here in South Australia, with regard to the development of technique, efficiency and production methods that have been described to me by leading world industrialists as something of which this country should be proud. You may ask, Mr. Speaker, why this motion appears on the Notice Paper, if so much has been and is being accomplished. The reason is that every other State in the Commonwealth has geared itself to industrialization. Whereas, immediately after the last war, other States did not have much inclination in this respect, they are all intensely eager now to enjoy the tremendous benefit that will arise from industrialization.

I remember being present at Loan Council meetings when the then Premier of Queensland (Mr. Forgan Smith) said, "Queensland is essentially a primary-producing State, and we want to keep it that way. We do not want this industrialization." Naturally, that was good from our point of view because it enabled South Australia to establish industries that logically would have established in Queensland if encouragement had existed there. Some honourable members may recall that, when company tax in South Australia was 2s. in the pound, Queensland's company tax was 8s. in the pound, and industries came to South Australia simply because we had set out to make conditions here attractive to them. However, the conditions that applied during the years immediately after the war and, indeed, right up until 1960, do not apply now. Every other State in the Commonwealth is driving ahead with all sorts of special promotional schemes to obtain industry. While I do not wish to decry South Australia at present, the other States represent a most formidable competition.

For example, South Australia pioneered the export of salt to Japan. Following an investigation by the South Australian Government, we asked the Commonwealth Government to make a survey, and we ascertained from which countries Japan was importing salt, what it was costing, the quantity of salt that Japan required each year, and what that quantity was likely to be in the future. We found that Japan was importing salt from as far afield as Portugal, Israel, Egypt and a number of other countries. After obtaining the prices, qualities and everything else, we found that

South Australia could produce salt much more cheaply than any of those countries could, that it was of higher quality than any of theirs, and that we could successfully compete with all of those suppliers of salt to Japan, with the possible exception of mainland China, which at that time was not supplying salt to Japan but which had been a supplier before the war. We then started negotiations, and you, Mr. Speaker, were one of the members of the Parliament that actively helped to sponsor this particular industry. We found that 1,000 tons of salt an acre could be produced in the salt pans south of Port Augusta. The climate there was extremely suitable for production on almost 365 days a year. By research, we found that port facilities could be established reasonably cheaply. When at a later stage an American company decided that, instead of using 30,000-ton ships, it would prefer to use 60,000-ton or 70,000-ton ships, a survey was made that showed that, with a small haulage, accommodation for ships of the larger size could be provided. However, at that stage an election was held, a new Government came into office and unfortunately, in the changeover, the impetus for this industry was lost. I do not blame the Premier or any member opposite for that.

The Hon. Frank Walsh: You would acknowledge the effort of Western Australia.

The Hon. Sir THOMAS PLAYFORD: I do not blame the Premier, for I know that when he went to America he tried to renew interest in this proposal. However, the drive of people in Western Australia has definitely resulted in this project being taken from this State. In fact, two projects worth many millions of dollars have been established in Western Australia under conditions which, as far as I know, are less favourable than those in South Australia, except in one respect: for shipping Western Australia is closer than South Australia, but it is subject to all types of other problems that South Australia does not have.

I bring this matter forward not as a criticism of the Premier but to show the intensity of the competition between the States at present. When the Government decided that it would have a ninth Minister, who would be in charge of industrial development, the Opposition supported the appointment although it had been twice denied the opportunity to appoint a Minister in the previous Parliament. I ask leave to continue my remarks.

Leave granted; debate adjourned.

(Sitting suspended from 5.59 to 7.30 p.m.)

CROWN LANDS ACT AMENDMENT BILL.

The Hon. J. D. CORCORAN (Minister of Lands) obtained leave and introduced a Bill for an Act to amend the Crown Lands Act, 1929-1965. Read a first time.

The Hon. J. D. CORCORAN: I move:

That this Bill be now read a second time.

Its object is to increase the unimproved value that governs the limitation of holdings for allotment of Crown lands, and to increase the existing value under which transfer, subletting, or surrender for conversion to other tenure may be permitted. These amendments, which have been recommended by the Land Board, after a thorough examination of the position, follow the land tax quinquennial assessment of 1965, adoption of which for the purposes of certain provisions of the Crown Lands Act, 1929-1965, has disturbed the pre-existing relationship between permissible areas of holdings and the present requirements of the Act.

The Land Board has examined the situation very closely, and having regard to the higher unimproved values of land in certain parts of the State—in the Lower and Middle North, Yorke Peninsula, certain areas of the South-East, and lower Eyre Peninsula—has recommended that the limitation upon unimproved values for transfer, subletting and surrender for conversion of tenure, be increased from \$24,000 to \$36,000. An examination of the assessment shows this change to be necessary to ensure that landholders in the areas mentioned will be placed in a position approximating that which existed prior to the 1965 assessment. Although there will be some minor changes in the relative position of the landholders in these areas, the increase proposed should achieve the purpose for which it is designed.

Although the action now proposed will restore the relative position in the areas mentioned, the board's examination has disclosed that in many parts of the State an increase in the limitation to \$36,000 would permit very considerable aggregations of land if unimproved values were the only factor considered. With recent advances in developmental and land use techniques, these areas have experienced rapid development, with correspondingly marked and substantial increases in land values. Examples are readily available in the mid South-East areas of County Cardwell and parts of Eyre Peninsula, particularly in the vicinity of Kimba and Wudinna, where the land tax assessment is considerably lower than prices realized in recent sales.

It is quite clear that if unimproved values included in the land tax assessment of 1965 were the only criteria of limitation, very extensive areas, upwards of 12,000 acres, could be aggregated. Such aggregations are contrary to the intention of the Crown Lands Act, and for this reason, and in view of the need to meet the constantly increasing demands of settlers for land, particularly from sons of farmers, provision is made in the Bill for regard to be had to the total area of land which may be held.

With the advances in developmental techniques, improved methods and installation of drainage, holdings of 4,000 acres in County Cardwell are considered to be generous living areas—they would have a potential carrying capacity of from 6,000 to 8,000 dry sheep, although the unimproved values shown in the land tax assessment would not in most cases exceed \$12,000. Similarly, in certain parts of Eyre Peninsula, notably the Kimba district, areas of 4,000 acres of agricultural land must be regarded as completely adequate.

This Bill proposes to increase the limitation in cases of allotments of land under lease or agreement from \$10,000 to \$15,000. (Clause 4, which amends section 31 of the principal Act.) This section has not been amended for many years and it is now considered necessary to do so in consideration of the increases in unimproved land values which have taken place. Further, it is proposed to increase the limitation in cases of transfer, subletting and surrender for conversion to other tenure from \$24,000 to \$36,000. (Clauses 5 and 6 which amend sections 220 and 225 of the principal Act.) For reasons already set out, provision is made for a limitation of 4,000 acres upon the total area of holdings except in the case of land situated outside of hundreds or within certain hundreds specified in a new Schedule inserted by clause 7.

Further provisions of the Bill (clauses 4, 5 and 6) eliminate reference to Goyder's line of rainfall in sections 31, 220 and 225, substituting references to lands outside of hundreds for lands within hundreds specified in the new Schedule. These amendments are designed to remove anomalies which occur where Goyder's line excludes some substantial areas of land that, as a result of advances in techniques, are now used extensively for cereal growing.

Clause 7 of the Bill inserts the new Schedule of hundreds into the principal Act. By clause 3 the Governor is empowered to amend the schedule by proclamation. A map showing the hundreds included in the new

schedule is available for information of members, and I ask leave to have the map displayed on the notice board.

Leave granted.

The Hon. D. N. BROOKMAN secured the adjournment of the debate.

THE BUDGET.

The Estimates—Grand total, \$258,018,000.

In Committee of Supply.

(Continued from September 13. Page 1561.)

THE LEGISLATURE.

Legislative Council, \$37,030.

Mr. HEASLIP (Rocky River): For two reasons I do not get much pleasure from rising to speak on the Budget. First, I have been away all day. I have only just returned and am afraid I have not been able to put very much time into the preparation of what I shall say. Secondly, if the person who prepared these Estimates had been employed by me, I would have got rid of him because, if the Estimates were going to be so far out as these will be, I am sure that any private business doing such estimating would go into liquidation. I regard the Government as a business. In its Budget it estimates its revenue and expenditure figures so that at the end of 12 months the final result should be approximately the same as the estimates. However, no question of liquidation arises in the case of the Government, because a Government does not produce anything.

The Hon. J. D. Corcoran: If you were the Treasurer, you would sack the Under-Treasurer, would you?

Mr. HEASLIP: The Government spends money that it gets from the people by way of taxation and other measures.

The Hon. J. D. Corcoran: Would you sack the Under-Treasurer?

Mr. HEASLIP: I am saying that, whoever prepared these Estimates—and I may be wrong at the end of 12 months—

The Hon. J. D. Corcoran: If you were the Treasurer, you would sack the Under-Treasurer?

Mr. Quirke: It is wrong to bring the Under-Treasurer into the debate.

Mr. HEASLIP: I think the Government should be responsible. When it tries to pass the buck back to any public servant, no matter who he is, it is trying to evade its responsibilities. That should not be so because, after all is said and done, the Government is responsible as a board of directors is responsible. It is no good blaming somebody who has been told

to do a job, who does it badly and things go wrong. The person in authority should take the blame himself. So it is with these Estimates now before us. I am quite sure that, when the remaining nine months of the financial year have passed, these Estimates will be nowhere near as accurate as they were planned to be. I do not know about expenditure, because it is something definitely under the control of the Government, which can spend less or more as it chooses, but this Government has estimated the receipts it will get and I am sure that in many cases it will not get them.

It is up to the Government to decide whether it is prepared to reduce expenditure if it runs short of receipts. If the Government decides to do that, it can probably hold the \$8,000,000 deficit that has accumulated in 12 months. The deficit will not be reduced but it may be held. Any Government should regard itself as a business, because it is responsible for the money it collects from the people of the State. It should spend it wisely and in such a way that it will not run into a deficit. We have been told that a deficit is a good thing. I myself certainly do not like a deficit.

Mr. McKee: What about your mates in Canberra?

Mr. HEASLIP: I shall have a few words to say later about Canberra, which is not South Australia. This is a South Australian Budget. How anybody can think that to budget for a deficit is a good thing is beyond me. If the Government is to have a deficit at the beginning of a 12 months' period and it knows that after the first three or four months—

The CHAIRMAN: Order! There is too much private conversation going on. It is not fair to the member for Rocky River.

Mr. HEASLIP: Thank you, Mr. Chairman. If at the end of three or four months the Government has a temporary deficit and knows it will get in some receipts that may be all right because it knows it will get enough money to cover it; but if, after trading for 12 months, it arrives at a deficit of \$8,000,000, nobody can tell me that that is good. That is bad housekeeping and bad business. Then, having incurred a deficit of \$8,000,000 in the first 12 months, the Government enters another period of 12 months, ignoring the deficit and not reducing it. It carries on like that. I repeat that it is bad housekeeping and bad business. A business should budget to reduce a deficit if it is to continue in being.

The member for Glenelg (Mr. Hudson) made a long speech on this Budget. Theoretically, he probably knows much more about it than I do but I am sure that in practice I know more than he does. What happens in practice is more important than theory. He said that there had not been a constructive remark from this side of the Committee about this Budget. But how can we be constructive when there is nothing to be constructive about? How can we improve something that is so bad that we would have to rewrite the whole thing? That would be the only way in which we could improve it. The honourable member was full of complaints but offered no remedies. He blamed the Opposition for not being constructive but he said nothing constructive about this Budget. He thought it was a wonderful Budget, carrying a deficit of \$8,000,000 from one year to another. He went on to say that the Commonwealth Government in Canberra was to blame for the \$8,000,000 deficit, and the member for Port Pirie (Mr. McKee) referred to that.

Mr. McKee: Whom do you think Victoria, New South Wales and Western Australia blame for their deficits?

Mr. HEASLIP: I am speaking of South Australia. What Victoria, New Zealand or anywhere else does is their responsibility. We have not seen a State run down so quickly as this one has. In 12 months this State went from having the least unemployment in Australia to the highest unemployment. This Government started off with a credit of, I think, about \$3,000,000 when the Playford Government handed over, but within 12 months it had a deficit of \$8,000,000.

How far can this Government slide? It should have given greater thought to expenditure during its first 12 months in office. The honourable member for Glenelg spoke at length about what the Commonwealth Government was spending on defence at the expense of growth. He should realize (and I hope he does) that for years now the Commonwealth Government has been spending practically all its money on growth, and as a result Australia has grown tremendously. Now, because we are in danger, practically all that money has to be diverted towards the defence of Australia. What do honourable members opposite want? Do they want less money spent on growth and Australia saved, or less money spent on defence and Australia lost?

Mr. McKee: What, to America!

Mr. HEASLIP: I do not know whether the honourable member for Port Pirie realizes

what America is doing for Australia, or what could happen to us if we did not spend that money on defence.

Mr. Clark: Are you serious?

Mr. HEASLIP: I have never been more serious in my life. If it were not for the help we are getting from America—

Mr. McKee: You are an alarmist.

Mr. HEASLIP: Well, I wish there were more alarmists.

The CHAIRMAN: Order! The member for Rocky River is addressing the Committee, not the member for Port Pirie.

Mr. HEASLIP: I do not know whether the member for Port Pirie realizes the danger facing Australia today. The time has come when the Commonwealth Government cannot afford to spend as much money as heretofore on development. However, because that money is now going into the defence of Australia, the member for Glenelg blames the Commonwealth Government. It is time this State Government got busy and did something for itself, instead of trying to blame everybody else. The honourable member blamed the restriction of car sales and everything else for our financial troubles, and other members of the Government have blamed the drought last year and the reduction of railway freights for the State's present position. However, the Government has only itself to blame for the mess it is in, with a deficit of \$8,000,000 after 12 months in office.

Why did the Government get into its present mess? First, how did it get into office? It got into office by going around the country making promises about what it would do if elected. After 18 months, many of the things it promised to do have still not been done. However, the Government's promise to award retrospective service payments to certain people has been carried out, at a cost to the taxpayers of about \$2,000,000. Incidentally, the Government paid this extra money to one section of the community for no extra production. This money is a permanent cost to the taxpayers of South Australia, and it is now part of the present deficit. This was not the fault of the Commonwealth Government or anybody else: it was the fault of this present Government in taking certain action in its attempt (a successful one) to get into power.

Mrs. Steele: It was one of the factors that got it into power.

Mr. HEASLIP: Yes.

Mr. McKee: You don't care what happens to the State so long as you get back in power again.

Mr. McAnaney: We want to save it from you.

Mr. HEASLIP: The way South Australia has slipped back in the last 18 months is tragic. What used to be the foremost State in Australia, with the least unemployment, the biggest intake of migrants, and the biggest growth of secondary industry, is now right down at the bottom of the list. Another promise that helped get the Government into power was the promise of equal pay for Government employees. I am prepared to pay anybody a proper pay for proper production, but first we must have that production and we must also be in a position to pay. I could think of no more inopportune time than now to introduce equal pay. The Government does not have the money, and therefore it finds it necessary to increase taxation and to collect more money, again to pay only one small section of the community. I should like honourable members opposite to cast their minds back to the introduction of the 40-hour week.

Mr. McKee: You thought it was the end of the world.

Mr. HEASLIP: Well, it has been a terrible thing for Australia, for if it had not been introduced we could have produced much more and built up much greater credit overseas. How did it come about? In relation to that matter, the New South Wales Government did the same as this Government has done in introducing equal pay for a small section of the community. Once this started it spread, and no-one had any choice. The New South Wales Government over-rode the Arbitration Commission, and now we have a Labor Government overriding an award, which New South Wales did with the 40-hour week.

Mr. McKee: Ask the member for Burnside what she thinks of equal pay.

Mrs. Steele: I will tell you what I think of equal pay for equal work.

Mr. HEASLIP: Government members should be thinking about employment of so many females in secondary industries, as these females will now receive equal pay. I employ many of them and I will dismiss all of them. It will apply not only to me, but also to most employers in secondary industries where women cannot physically do what men can do. These women sit in front of a machine, press a pedal, and pull the article out, but to shift a container a man has to come from another machine because the woman is not allowed to do that.

If women are paid the same rate as men, and a man has to remove the bins, the women will not be employed.

Mrs. Steele: Aren't the unions responsible?

Mr. HEASLIP: The unions maintain that women must not carry more than a certain weight. This Government will bring about the mass unemployment of these women. This is the thin edge of the wedge, and it will finish up the same as it did with the 40-hour week in New South Wales. The member for Glenelg said:

The member for Glenelg said:

If it rains, if more cars are sold, if more houses are built, the \$8,000,000 deficit will be reduced.

We know that if these things happen the Government will collect more money, but there are too many "ifs" in it. No-one runs his business on "ifs". I hope businessmen are more conservative. If one is to be successful in business, there must be no conjecture. Perhaps the Government considers that because it is spending someone else's money it can take risks, and if anything happens it can increase the taxes. When introducing the Budget the Treasurer said:

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.

Whence will this money come? First, from land tax, as the Treasurer said:

As the House is already aware, I expect an additional \$2,100,000 this year from land tax.

That means another cost added to production costs, and whether we get rain or not it still has to be paid: whether it is in the bank or not, and irrespective of whether it rains, this money has to be found. Increases have been mentioned for railway fares, which will be another increase for primary producers; increase in bus fares will be an additional cost for people travelling to and from work; further increases in stamp duties are forecast; liquor licence fees are to be increased, and those who drink will pay more; shop and factory registrations are to be increased, so that the small or large shops and factories will contribute more. State lotteries and the totalizator agency board system of off-course betting are not productive, but they are a means of taxation to raise revenues. Whether it is good for the State or the people does not matter if the Government can obtain more money to spend. The Treasurer has said that the combined deficit forecast is \$8,072,000, which is a little less than the combined total of the two deficits

on June 30, 1966, of \$8,077,000. After another 12 months' trading this Government will finish in the same position as it was in after the first 12 months. Surely any business should try to rectify its losses, but it seems that the Government, after making these losses, will forget them. Because the Government is paying extra interest to do that, people have to pay increased taxes. This all comes from the people of South Australia. No Government makes money; a Government only spends money. Whether that money is spent wisely or otherwise is up to the Government. I think it is the responsibility of any Government as a trustee or director, acting for the people from whom it collects this money, to see that it is spent wisely.

The sums of money estimated in this Budget will not be raised. If we do not receive rain in South Australia over the next week or so the railways system (despite the fact that we hear that it carries produce at such a low price and that it does not pay) will lose much more money this year than it has in other years. That applies also to stock. We now have 18,000,000 sheep in South Australia which is more than ever before, but unavailability of fodder for that stock will cause a calamity. Only nine months remains in which to obtain the sums of money referred to in the Budget. The \$1,000,000 that has been transferred from the Highways Fund to General Revenue is merely an entry.

Mr. Quirke: It is giving less spending power to the Highways Department, though.

Mr. HEASLIP: Yes, it means that the Highways Department will have \$1,000,000 less this year to spend. That sum is going towards making up a deficit. Even if only a portion of it had been spent on the Appila-Laura road (on which all the wheat from the district has to be carried to the nearest silo 20 miles away, because the Government unconstitutionally denied Appila a silo), it would have been productive and helped the Government. But the money has been transferred from the Highways Fund into General Revenue to make up some of the Government's losses. The proposed bridge over the Murray River will probably be delayed another year, and many other Government projects will be delayed. How will the Government make up the losses it has incurred and, at the same time, fulfil the promises on which it was elected?

Known gas deposits existed in the North of the State over 12 months ago, but what has been done about it? We know that Government representatives have been overseas, but I am no wiser now, since their return, than I was before

they left. Nothing has been said about what they have learned or intended to do. Meanwhile, power that should be available to South Australian industry is not being harnessed. The 12 months' delay will never be recovered. Had prompt action been taken, we could now have been ahead of our competitors in the Eastern States. We hear that, for the sake of uniformity, we must increase our prices to the level of those in the other States. That agreement was advanced long before the Labor Party came into power but, nevertheless, since Labor came into power all taxes are increasing, not so much for the sake of uniformity but for the sake of money, so that we have at least reached, and in some cases exceeded, the level of taxation in the other States.

South Australia has the lowest rainfall of any State in the Commonwealth. With a scarcity of water, the extent of which no other State experiences; with less population than that of the Eastern States; and bearing in mind the fact that everything we produce has to be transported to markets in the Eastern States, our costs are now increasing to such an extent that it will be impossible for secondary industries in this State to compete with those whose markets are close at hand. I am concerned about this matter. I know that we have to vote for the passing of the first line; the State has to carry on, the people of South Australia having elected the Labor Party to govern, but it gives me no pleasure at all to support the first line.

Mr. McANANEY (Stirling): In supporting the first line, I do not intend to be critical of the Government. Indeed, over the past month or so, as I have been circulating in my district, I have heard so many complaints and unpleasant remarks made about the Government that I have occasionally thought they were unfair, and have even come to the Government's defence and said, "Really, it is not as bad as you imagine." However, we must do our best to point out to the Government the error of its ways.

Mr. Quirke: You are a sportsman, though: you will not hit it while it is down.

Mr. McANANEY: No. Last year, when the Government was young and fresh and tearing into things, we were inclined to try to correct it, but now that it is really down and in trouble it hurts me to say what really should be said.

Mr. Quirke: Haven't members opposite aged in a short time?

Mr. McANANEY: They may have aged, but they have not learned by experience. In a

press article on August 23, under the heading "Walsh on finance problems," the Treasurer apparently admitted that problems existed. We admire his delightful candour, for he goes on to say, in effect "We have used trust funds; we have used deposits, and they are something we cannot use for too long, because the people who own this money may want to use it at some time. Therefore, we cannot use these funds indefinitely." However, in introducing the Budget, the Treasurer says, "We are only going to hold the line, and we want to use the money for a further period." The Treasurer complained about the raw deal he had received from the Commonwealth Government, but went on to say in the article, in effect, that the Commonwealth Government underwrites the Loan programme and that there are not sufficient savings in Australia to meet our requirements. Therefore, the Commonwealth Government, which the Treasurer says is so hard and tough on him, is benevolent enough to tax the people of Australia to arrange additional funds so that it can meet its Loan Fund payments. Perhaps that is the fundamental problem in Australia today.

Earlier today we heard about Australia's terrific potentiality, with which we all agree. The economy of Australia is basically sound provided that its Parliamentarians and people are willing to pull their weight and hop in and produce. I have travelled all over the world, and no country has more possibilities than has Australia, provided that the people are willing to work, and provided that our Governments produce sound government. Progress will not be achieved if the incentive for the people to produce is withdrawn. Perhaps the Government's greatest fault is that it is trying to take from the people who work the most and give to certain social services and other things that are non-productive. I am sure we will not make the progress we should make if we molly coddle the economy and destroy the incentive to produce. If we do that we will become like Great Britain, which was once a proud country that was the envy of the world. Its Government now interferes, taking a large proportion of the country's income and doling it out in social services. It wants to freeze wages and prices, and to molly coddle the economy. Mr. Wilson wants to put a wall around Great Britain. As a result, people with brains—leading technicians and others—who carried that country over the last 100 years are leaving it in large numbers, because in a welfare state of that

type there is not the incentive for people to use their initiative and improve the economy.

At the Royal Adelaide Hospital about two years ago, where the beautiful new buildings are being erected, I met an English doctor who said, "We are envious of the buildings going up here, for in England our hospitals are stagnating under the welfare state." This person said that, instead of the progress that was taking place in South Australia, the spare rooms in England were being filled with red tape and the papers necessary to run that sort of community. If we are to have development in Australia we must encourage the people who have the initiative to save and those who are willing to produce, and not tax them too heavily. However, at the State level every tax imposed is affecting the people who produce the most and who are of most value to the State.

In the article to which I have referred, the Treasurer emphasized that the Commonwealth Government had to raise taxation to provide for the Loan works of the State. In Australia we must seriously consider the fact that not enough is being saved to carry out the development required. Funds that are required for development are being used to assist people who, perhaps, could assist themselves. The South Australian Housing Trust is using money to build houses that are bought by people who pay a £50 deposit. The lower the deposit the more money that has to be found for the purchase of a house and, therefore, the fewer houses that can be produced. Australia now has a fairly affluent society. When a young couple of the ages of 21 or 22 get married, between them they have probably earned about \$20,000 in wages. However, before they get married many of them enjoy life a lot. The other day I met a young man who had travelled 600 miles over the weekend, the trip costing him \$60. He had no idea that one day he might want a house.

Our housing programme should be more along the lines of the Commonwealth Government's programme which provides an incentive by giving \$500 to persons willing to save. It may be said that some people cannot save, but in our present society people can save because until last year throughout Australia people could work extra time and earn additional money without any trouble. For people with any pioneering spirit at all, there are opportunities to go to the north-west of Western Australia and earn \$120 a week for a year or two and provide themselves with a nest egg with which to start off. This sort of thing must be done

if we are going to develop this country. There is talk of developing Rum Jungle and people with initiative will be needed there; if they are willing to take this work they will earn good money. This is a wealthy mine. Of course, it may be said that the company concerned will make much money out of this venture, but who will make the most money? It will be made by the people who go there to work and who earn these big wages. They should be given some incentive to save so that they can help in the further development of this country.

The Treasurer has said that the Commonwealth Government will not give his Government a fair go. He publicly stated that there was not enough money for certain development, but I cannot see how he can blame the Commonwealth Government for the fact that there are some restrictions in this matter. He also said that the Commonwealth had not spent enough money in South Australia and that it should build public buildings here. Only a fortnight ago the Commonwealth Leader of the Opposition asked in the House of Representatives what portion of the money used by the department of the Minister for Supply was being spent in South Australia, and he was told that \$45,000,000 out of the total of \$180,000,000 was spent here. Therefore, 25 per cent of the total, or double our entitlement on a population basis, is being spent here.

Last night the member for Glenelg emphasized that the Commonwealth Government was spending \$1,000,000,000 on defence and that this would mean that less money would be available for consumer goods. The honourable member tried to prove that this was to the disadvantage of South Australia, but I have already illustrated that much of this money is spent in South Australia. South Australia has its quota of soldiers and also has some industries that manufacture defence requirements. Therefore, a reasonable proportion of this money comes back to South Australia. The Attorney-General publicly stated that a deficit was vital to the interests of South Australia. Perhaps he would do better to stick to the problems of Aborigines, on which his statements might be nearer the mark.

The Hon. R. R. Loveday: Tell us how we would have done it without a deficit.

Mr. McANANEY: Give me time and I will try to explain how successful the Government was with this deficit. The Attorney-General was reported to have said that it was vital to run a deficit in any period of economic downturn where there was insufficient stimulus

from the Commonwealth Government to keep the economy of the State buoyant. Well, the Commonwealth Government received an Oscar from world authorities for running the best economy in 1964-65. Last June, the *Australian* gave a resume of Australia's economy and said that it was good. The *Bank of New South Wales Review* in June stated that employment in Australia was good and that we were not in an inflationary period. Therefore, the economic stimulus required seems to apply only to South Australia, and that is what I am trying to emphasize. The Attorney-General went on to say that, by running a deficit, the South Australian Government had ensured that the State had got a high level of employment. He said that, although we have dropped from the position of being the second best State to being the worst State, and went on to say that services had in no way been cut. Perhaps that is a little doubtful.

When one attends a public meeting in the country, people ask where the money has gone, and one is stumped for an answer. I feel like saying that it has gone with the wind and that not much result is shown for it. The Attorney-General said that this Budget would do much good for the economy. However, the economy was good in March, 1965, when the Government came into office, but it began to run down slowly. Last July, the South Australian Government had to run at a small deficit on combined Loan and Revenue accounts for some months. That is normal procedure for the Commonwealth and State Governments, which run at a deficit until taxation comes in. However, the Attorney-General said in public that the Government had given this stimulus to the economy.

In January this year, when employment was decreasing, the Government ran into credit for a brief period. It had drawn off money being used in the community. The payments in that month were by far the lowest monthly payments for the year. Either the Government did not pay its accounts for that month, or there was some restriction. This was when the economy was running down and unemployment was rising, yet the Attorney-General said that money had to be pumped in. The State was drawing money out at that time. The position was worse in February: the Government withdrew \$2,900,000 when it was running at a profit.

Mr. Hudson: That is a very silly argument.

Mr. McANANEY: When our academic economist with a theoretical mind says that I am silly, I am encouraged to go on.

Mr. Hudson: The monthly position depends on how the Commonwealth tax reimbursement grants are recovered.

Mr. McANANEY: They used to come in irregularly, but now they come in at regular periods. The honourable member should get his facts right before he comes here and thinks he is lecturing at the university.

Mr. Hudson: The tax reimbursements come in the first 11 months of the year.

Mr. McANANEY: The honourable member should look at the monthly statements.

Mr. Hudson: You look at them!

Mr. McANANEY: The honourable member is not one who has had to battle in this hard world against trouble. We cannot be bothered with childish talk when we are dealing with serious matters of State. In April the combined total surplus had got down to \$560,000. In May the deficit was \$4,500,000 and in June it was \$9,200,000. The member for Onkaparinga (Mr. Shannon) said in another debate that it was no good trying to close the stable door after the horse had fled. In the case of the economy of this State, the horse had fled and it would have been difficult to get it back at that stage. The Attorney-General said that not to have run a deficit would have meant a reduction in employment. However, we ran a deficit for only the last two months. He also said that not to have run a deficit would have meant a reduction in the amount of money pumped into the community to keep employment generally as high as possible, and went on to say:

The extra things the Government had sought to provide since it came to office included better student-teacher allowances, equal pay, improved superannuation and public relief and better conditions for Aborigines.

Nobody argues about those things. They are possibly all good and reasonable. However, I should like to drive a Rolls Royce, but I get as much satisfaction from driving my wife's Morris 1100 so long as I can pay for it. We are happy provided we can pay for the things that we have. If a person falls because he tries to run before he can walk, he gets into trouble. It is not a good economic principle to try to run before we can walk as far as the Government of the State is concerned. The Attorney-General also said:

This kind of logic might appeal in a Marx Brothers film, but people want something more consistent and logical than that.

Well, perhaps we are living in a Marxian atmosphere since this Government has been in power. In 1963-64, when we had come out of a period in which the economy needed a boost,

the Highways Fund was allowed to run down to \$180,000. In June, 1965, the fund had built up to \$1,700,000. The economy was then running well and it was sound business to accumulate a reserve to be used when things got bad later. In 1965-66 the Government, which has talked about pumping money into the economy, allowed the fund to increase to \$2,200,000. The State was crying out for better roads, yet the Government did this. The Government's only reason for doing that that I can think of is that it wanted to increase the amount of money in that fund so that it could raid the fund later. If the money in the fund had been spent, the Government would not have been able to raid the fund.

That is the only logical reason why this money was allowed to accumulate at a time when it should have been used to give a boost to the economy. We congratulate the people who prepare the Budget and we thank the Auditor-General for the many details of facts and figures given in his report. However, the Budget is most confusing to the average citizen and I find it most difficult to ascertain just what has been spent on various items. At a teach-in that I attended at the Adelaide university a few months ago, one of the professors said that we in South Australia spent only 20 per cent of our Budget on education, and no doubt it is easy to work out a figure of 20 per cent when one sees the total Budget figure and compares it with the education appropriation.

I have tried to simplify the Budget. There are several contra items, as the member for Glenelg has said. There is a credit of \$8,000,000 on one side and a debit of that amount in the Premier's Department representing a payment to the Railways Department. That is only a book entry. The actual loss sustained by the Railways Department is shown in the money set aside under special Acts, in superannuation, interest and amortization charges. This is a most confusing document. There is also a debit of \$4,077,000 shown in the Premier's Department for interest on the Home Builders' Fund, and there is a credit on the other side for that amount; that is an inflated thing. A large percentage of the Budget is made up of debt charges. The receipts and payments on Consolidated Revenue are set out in the Auditor-General's Report. Receipts of sums from the Commonwealth Government are shown as 38.4 per cent, and public undertakings receipts at 25.6 per cent. Payments by public undertakings are shown as 19.2 per cent, which creates the immediate impression that a great profit is being made by

public undertakings. Then interest and sinking fund payments are shown as 23.8 per cent. That can be attributed to certain departments: some would go to the Education Department, so it should be added to the segment "Social services". Much of the interest and sinking fund payments is concerned with the Railways Department, and that should come under expenditure on public undertakings. Even in the Education Department there is a large sum of millions of dollars of interest, depreciation and writings-off. That being depreciation on schools, it should be shown in the sum spent on education.

I have just drawn up some rough figures. I admit there may be discrepancies between some of them, but that only emphasizes the difficulty of ascertaining the true position. I suggest that added to the Budget there should be a simple appendix that could be readily understood by the general public. For this coming year my rough forecast of the Budget is that the Commonwealth Government will provide in tax reimbursements \$94,500,000 and, in addition to that, about \$9,500,000 in various grants, the total contribution from the Commonwealth Government thus being \$104,000,000. There will be \$1,250,000 for forestry, \$500,000 for court fees, and \$30,000,000 for general taxation in South Australia. I have omitted motor taxation, because that is already set aside under "Roads". It is money received to provide roads and services to the people who use motor vehicles. Then there are special wharfage taxes of about \$1,000,000 from the Harbors Board. That the State Government should impose this tax (for that is what it virtually is if the Government is making \$1,000,000 profit over and above the interest charges on goods that are exported and imported) is unbelievable. Then there is \$250,000 for company fees, all of which adds up to \$137,000,000, which is the only money really available for this State Government to spend.

The Legislature costs \$1,250,000; there is about \$10,000,000 for police, prisons and general security; and there is \$30,000,000 for public health and hospitals. That is a large sum, when we come to think of it. It costs \$30 a head of population for hospitalization. When we add to that the money that people pay towards hospital benefits and what is collected through local government, we can see how terrifically costly hospitalization is. We are not complaining about it; perhaps it is necessary and should be spent, but it is a very large sum.

Then we come to the Attorney-General's Department and the Department of Aboriginal Affairs, costing \$1,250,000, and social services costing \$2,250,000, which, added together, make \$3,500,000. The Attorney-General has made quite a to-do about the improved methods of the Social Welfare Department and how we are now collecting from husbands money on maintenance orders. There is no indication in the figures that any extra money has been collected under that head or that there has been any benefit in that way. The net expenditure of the Lands Department will probably be \$1,500,000. Let me now deal with education. I have added up the cost there to \$68,000,000. This is the actual amount set aside in the Budget, plus interest on money borrowed to build schools; it also includes superannuation payments to teachers, and various other items. This all adds up to very nearly 50 per cent of the money available to this State to spend on various things. Agriculture costs about \$4,000,000, including the Waite Agricultural Research Institute and various research stations. The sum allocated for land and agriculture has not increased to the degree that other items in the Budget have been increased. The emphasis is on providing additional social services, which is perhaps good; but, if this money were spent on other things, we should get more productive returns and more revenue to the State, although at the same time I am not saying that money spent on education is not equally productive if we can increase the brain power of the community. Undoubtedly, this money will produce good results, but we must think about the present education system in South Australia.

I was at a meeting last night that offered some criticism of our education system. It was said that there was too big a jump from the primary to the secondary school, and certainly from the secondary school to tertiary education there was an even bigger leap. When young people go from secondary education to the university, some can adjust themselves quickly while others cannot and they lose practically a year of their lives because they cannot become adjusted to the change. I am pleased to hear that at Flinders university the authorities are providing more tutors and there are more tutorial classes in that vital first year, whereas I understand that at the Adelaide university the tutorials are used mostly during the later stages of education. We have to realize that so far our education system has concentrated on bringing students

up to the standard of going to university, but probably only 20 per cent of our student population will ultimately go into the professions while the other 80 per cent will go into the various other types of employment, and up to a point they are uneducated and do not have the qualifications required for their future jobs.

We are spending on the Mines Department the net sum of about \$750,000. There is also possibly \$4,000,000 lost on waterworks, \$9,000,000 on railways, and about \$5,000,000 on miscellaneous items. The grand total is \$137,000,000. This is set out so that we can see the position at a glance. If something of this nature was put into an appendix and published in the paper, the people of South Australia would have a truer picture of the State's finances. When we analyse it, where is the rotten part of the apple? It is the loss of \$13,000,000 on waterworks and railways. The big increases in taxation are required mainly to meet this deficit. Leaving politics out of it altogether, somehow or other we must solve this problem. The Engineering and Water Supply Department loss is 20 per cent of the revenue, and the Railways Department loses up to 25 per cent. The Railways Department has provided a service for the public in the past, but it cannot provide a service without, in some instances, making big losses. The main line railways are necessary, but it is on many of the small lines that the losses occur. The Government in Canada is going to pay the railways there this year a sum of \$100,000,000 (Canadian), or thereabouts. However, that amount is going to be reduced each year by 12½ per cent, and in eight years' time the railways there must pay. I think this is what we must do in Australia over a period, even if we have to write down some of the capital invested in the railways, for the railways are a dead loss now and we must get them on to some business footing. We cannot continue to lose these large sums, and increasing charges will not necessarily solve the problem.

The Railways Department says that it is at a disadvantage because it has to provide a service and run to a schedule. However, that idea is now old-fashioned, and better methods could be employed. I disagree with the statement of the Railways Commissioner that he provides a regular service. Certainly, there may be a daily or twice-daily service to some places, but what happens when one wants spare parts delivered is that the Railways Department puts those parts on a truck at Port

Adelaide, and, when that truck is almost full, it is hitched on to a train. Consequently, it could take three or four days for those parts to reach their destination. Most country centres have a daily service by road transport, and parts ordered by telephone in the morning can be received the same afternoon. Even though the Railways Department claims that it is running regular schedules, it does not give that type of service. Very often railcars run into the country at night with only two or three passengers. This is wasteful, because part of that service could be used for the carriage of small parcels.

The Railways Department must start working on the lines of private enterprise and show a profit. It was necessary in the past to have the railways as a service to the community, and there is no doubt that the railways have performed terrific service for South Australia. However, until they are modernized and we get down to business practices, they are a definite liability to every man, woman and child in Australia today. The same applies with waterworks. I may be treading on the corns of some of my country friends when I say that the waterworks should be made to pay. In certain areas water is vital. People have told me that since they have had the water on they can double their sheep-carrying capacity. However, to somebody nearby who does not have the water it is not much advantage. Surely we should get some consistency in the workings of the various departments. At present there is one system in the Electricity Trust, another system with the waterworks, and yet another system with the railways. Surely we must get down to a common practice on these things to eliminate losses and to try to make these two services pay their way.

I think the Treasurer has said that the roads are vital to Australia. The Deputy Leader of the Opposition in the Commonwealth Parliament (Mr. Whitlam) recently claimed that bad roads were costing Australia \$2,000,000 a day, yet now we find that this Government will spend less on roads this year. I maintain that roads must be competitive with the railways, and that the users of the roads must provide the money for those roads. I was greatly interested in a resolution passed by the new amalgamated body of the Wheat and Woolgrowers Association and the Australian Primary Producers Union only last Friday. Incidentally, I congratulate these two bodies on getting together and adopting a common agricultural policy for the farmers

of South Australia. That body asked its executive to prepare a case to work out the amount of petrol tax required to provide satisfactory roads in Australia. Surely this is the answer. The Commonwealth Government has indicated that it does not want to increase petrol tax and then have to take the responsibility for the provision of roads. Surely it is up to both the Commonwealth Government and the State Government to work out a reasonable scheme.

Last year this Government introduced its atrocious Bill under which certain vehicles would be paying road maintenance tax while others would not. That Bill was badly prepared; it grew, like Topsy, and finally it was a Heath Robinson conundrum, if ever there was one. Such a thing may have been all right back in 1066, before a thought was given to mathematics or reason and justice in these things, but we cannot allow it in a modern society. We can prepare something better than that. In what other way can we collect money for roads than by a petrol tax? As the Auditor-General has pointed out, the collections from road maintenance tax have been only 70 per cent of what they should be, and this is bad. When we have people evading taxation, it is bad for the morale of the State and bad in every other way. Surely we must evolve a fair and reasonable method of seeing that the people who use the roads pay for them.

I will go further and say that I consider council rates to be old-fashioned. In the old days when the big landowner in a district was the wealthy person the local residents were the only ones that used the roads. However, these days most people have motor cars and travel all over the State. Therefore, the fact that a person owns land should not be any reason why he should provide more money for the roads. I know that in saying this I am treading on dangerous ground, for many people would say I was wrong because they would claim that the money they pay towards roads in their area is spent in that area. However, that would apply in the same way with the petrol tax. At present the Commonwealth Government gives so much of this petrol tax to the States, and so much is allocated for country roads and so much for city roads. I maintain that we could have a formula under which the money could be redistributed to the councils; the councils would have the full use and control of that money; and it would be spent in their areas. I can see no reason why some practical scheme could not be worked out in this way. Many pensioners

living in Adelaide now do not have cars, yet they pay a rate on their property to provide a road on which some wealthy person can drive past them in his Rolls Royce. This is unreasonable. If road transport paid for the roads, there would be reasonable competition between the railways and the roads, and we would not need to have a Royal Commission to decide what form of transport should be used, for people could use what was convenient for them.

It has been claimed that the Railways Department is left with a certain type of traffic that is not profitable. However, I dispute that. The reason that traffic is left to the Railways Department is that at present people are not allowed to carry that type of freight by road transport. I have a farm 50 miles from Adelaide, and my carrier has never refused to carry any type of material anywhere at any time. If I am not at home he will unload superphosphate for me and put it in my shed, whereas if it is delivered by rail an official will ring up at 9 a.m. and tell me to come and take it off the truck, otherwise I must pay demurrage.

We must realize that there must be competition. If the Railways Department makes a loss it must be prepared to write off the uneconomic services as was done in England. It has been claimed that we are short of money in this State, although we received a 7.7 per cent increase in the allocation from the Commonwealth Government. Our population is increasing at the rate of 1.8 per cent, and this is a fundamental problem. I do not know the reason and I do not blame the Government, but the rate of increase in population has slowed down. In 1960 the increase was 22,500; in 1961 it was 23,700; in 1962, 19,000; in 1963, 20,500; in 1964, 24,500; in 1965 it dropped to under 20,000, and this year it is dropping even more. A certain natural increase has occurred, but in the last 12 months our migrant increase has been half of what it was the year before.

This means less demand for houses and the building industry is in a worse position than it is in any other State. This is a matter about which inquiries should be made: perhaps the industry is geared to build too many houses. Is this slackening off due to lack of finance or lack of demand? The position is the same in the motor car industry, and I cannot understand the Government's policy of increasing stamp duty on hire-purchase, as most cars are purchased in that way. If the stamp duty is increased the demand will be reduced, and this should not happen at present. Basically, the

present position has been caused because the price of secondhand cars has dropped. It has been said that many young men are now doing National Service training and are not buying secondhand cars. Once, people changed cars every year or two because of the low cost of doing so, but now, because of the increased cost, cars are kept for another year or so. Perhaps the industry is producing too many cars. The Australian Labor Party's column in last Saturday's *Advertiser* stated that we should not import cars from Japan. Japan is our best customer and buys more from this country than we buy from her.

The primary-producing industry is of great value to this State as it provides money to purchase imports, and we cannot restrict the market in which our goods are sold. I deplore an attitude that suggests that we should not trade with other countries. Throughout history, countries that have been willing to trade freely and on a fair basis have had the highest living standards and the greatest economic activity. When people live selfishly and do not trade with other countries their living standard falls, because a living standard depends on the quantity of goods produced and available for export. If we do not produce goods efficiently our living standard must fall. The Treasurer said that there was reduced economic activity in this State because of the reduced buying power of the rural community. That statement shows how much he is out of touch with that community. We did not have a record harvest last year, but we did have a record number of sheep in this State and a record quantity of wool sold through Adelaide stores, hence the overall rural income in this State was not reduced. The Treasurer claimed that additional Government expenditure had been endorsed by the electors, but I cannot agree with that statement. The Treasurer, when Leader of the Opposition promised certain things if elected, but at no time did he say how they would be paid for. The member for Glenelg once said on television that he would amalgamate banks, and obtain money from here and there. He was going to have tens of millions of dollars spent on various natural developments, and so on, but these things have not come to light. I think it was almost in jest that the honourable member said that Sir Thomas Playford, for one month, was a little behind in the Budget, and that if he could be a little behind, surely the new Government (if it was elected) could get behind. It **certainly** got behind! It hit the jackpot when the

deficit reached \$8,000,000, for that is by far the highest deficit in Australia today.

Mr. McKee: What about 1961? Tell us about that!

Mr. McANANEY: Although I cannot remember the figures for 1961 I know that, with the worst drought in history in 1959 (when I think the deficit in that year was about \$400,000), there was certainly a problem to solve. Despite that, reasonable Government returns were shown in that year. One hesitates to tell the member for Port Pirie how to deal with these problems, but I venture to suggest that, if we kept a little in reserve, we might be able to endure unfavourable seasons. However, when no flexibility exists in the State's finances, we cannot allow such a deficit to occur, because it is too difficult to rectify it.

Mr. McKee: It was something like \$10,000,000 in 1961.

Mr. Nankivell: Rubbish!

Mr. McANANEY: If the member for Port Pirie cared to make a reasonable statement, we might consider it. I think the Treasurer claims he is holding the line, financially, but if that is so how will he reduce this deficit? We hear how we should handle the deficit and how vital it is to budget for a deficit to keep the community going but, now that we are in a hole, we should be able to use reserves instead of adopting the Government's present policy. If the Attorney-General was correct in what he said in August, money should really be poured in at this stage to improve the economy. It was also claimed that depressed values had an adverse effect on succession duties received. Less revenue may have been obtained because the share market dropped, but what about the land value assessments that have risen by 57 per cent in five years, from which the Government should be collecting more? Nobody knows how the Government can explain that great increase in values.

The member for Frome, when talking about land tax, gave example after example, illustrating that landowners were not paying as much as, or only a little more than, they were paying previously. We have not discovered the identity of those people but, as \$2,000,000 extra is being collected, surely somebody must be paying substantially increased taxation. I know of a number of people paying it and, indeed, I think the whole community is paying it. Much of that increased taxation is collected in the city of Adelaide and, as costs increase, goods ultimately become dearer.

The Budget is not something about which to be particularly happy. Farmers generally

are producing more in South Australia and, if only more confidence existed, I am sure this State would progress. For some reason or other, however, there is a decided lack of confidence. The Government has tried to make changes too quickly, and people are not prepared to spend, as they previously were.

A man running a farm on which at least two people should be employed recently told me, when an employee left him, that, as he was uncertain about the amount of taxation he would have to pay, and with increasing costs, he would have to do the work himself for the time being. I am not saying that that is the correct attitude to be adopted but, nevertheless, that attitude is prevailing in South Australia at present, because of the uncertainty of many people about future actions to be taken by the Government. Although I do not think that there is any uncertainty about the State's future, the Government, with its present deficit, seems to be floundering; it does not know the answer, and I am sure that it is the lack of confidence in the Government that is causing the trouble.

A petition will shortly be signed by about 1,000 Victor Harbour residents, protesting against a possible regulation restricting the catching of crayfish in that area. For years, the fishermen concerned have been able to catch crayfish of 8in. in length, but conclusive proof seems to exist that over the years crayfish in that area have never grown to the regulation size of 10in. Although I do not know whether the proper food exists in the water, or whether, because of what the crayfish have heard about the Labor Government, they do not grow longer, the fact remains that large crayfish have not been caught at Victor Harbour at any time. The proposed regulation will drive many of the fishermen engaged in this industry out of business. The period during which crayfish can be caught is already limited, and the number of crayfish in the area has apparently not decreased. I think some justification exists for the claim that these crayfish do not grow to a great size. The fact that these crayfish are smaller than those elsewhere, yet bear young ones just as prolifically, demonstrates that they are a dwarf type. If the area is not exempted from the new regulations and allowed to continue as it has continued, this small industry in the Victor Harbour area will cease to exist.

Mr. Quirke: You'll have to do some top-dressing!

Mr. McANANEY: We hope that some consideration will be given to allowing the fisher-

men to continue to catch these crayfish, even if the catch is allowed to be sold only in the area. I point out that if restrictions are imposed, tourists visiting the area may catch even more under-size crayfish than are at present caught by the fishermen.

We have merely outlined the facts of life to the Government. Although the member for Glenelg did not think they were facts (and I agree that they can be twisted and used to suit any particular purpose), at no time do I think I have been guilty of distorting the facts. Education in Australia is a vital question today. It is generally claimed now that we spend only 2 per cent of our national income on education, whereas some other countries spend up to 7 per cent.

Mr. Nankivell: That's not so.

Mr. McANANEY: I categorically deny it, too, for we certainly spend more than 2 per cent on education. I have just proved that the South Australian Government spent about \$68,000,000 on education, and in addition there is the expenditure by private schools and other expenditures. At a rough estimate, I think Australia spends nearly 7 per cent of its total income on education, so we have nothing to be ashamed of in that respect. It is said that when a person is old he is satisfied with what is going on around him but I am sufficiently young to be not totally satisfied with our education system; many improvements could certainly be made to it. However, there is a question of priorities. If a Government wants to do the things the present Labor Government has done, it cannot use the money in other ways. I support the first line and hope that, despite the Government, the State will return to a profitable and level course soon.

Mrs. STEELE (Burnside): It is with reluctance that I support the first line. In view of the Treasurer's early announcement that the State was facing a deficit of about \$9,200,000, the depressing nature of the Budget was no surprise at all. I sometimes believe it is a pity that, in spite of the wide coverage given in the press when the Budget is presented by the Treasurer, the people generally do not realize the impact of the items contained therein on their lives and incomes. It is a pity they do not have the easy access to Parliamentary documents that we, their elected representatives, have. Early in his Budget speech, the Treasurer referred to numerous increases that were to be imposed in one way or another on the people of South Australia. I do not think it would do any harm if these

items were reiterated as they appeared in the Treasurer's statement. First, he referred to the extra \$2,100,000 expected this year from land tax, which is a great increase on the land tax imposed in previous years. He then said that the Government reluctantly contemplated increases in railway freights and fares and that as from September 1, 1966, the Government had authorized an increase in grain rates by an average of about one-sixth. Of course, this will have its impact on primary producers of the State who, as we all know, are the backbone of the community on whom the rest of the people, particularly those engaged in secondary industry, are dependent, because much of our export income is derived from primary production despite the expansion that has taken place in secondary industry.

In the same paragraph of his speech the Treasurer referred to metropolitan fares increasing by 15 per cent, country fares by 10 per cent, and freights on manures, livestock, parcels and certain general merchandise by 10 per cent. The depressing story continued in the next paragraph, where the Treasurer stated:

At the same time as increasing rail fares the Government proposes to authorize some increase in tram and bus fares.

Therefore, city residents will be affected by these increased fares just as country people will be. Then the Treasurer announced that South Australian stamp duties were to be increased, that liquor licences in this State were to be raised, that many other relatively minor fees that have not been adjusted in recent years would also be brought into line, and that certain shop and factory registration fees would be increased to bring in an additional sum to the State's revenue. Then came the announcement about the revision of the provisions for succession duties. With regard to this item, it is interesting to note the threat apparent in his statement, when the Treasurer said:

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.

I believe that is close to threatening the representatives in Parliament, who are put in the position of assessing the value of legislation of this type and of eventually passing it and giving the Government authority to impose this kind of taxation.

The next paragraph referred to two Bills which have recently been passed in this place and which the Government states quite blatantly it expects will effect the revenues of the State. These Bills relate to the Totaliza-

tor Agency Board and the State lottery. Although I voted in favour of a State lottery because I considered that the people of South Australia showed in no uncertain manner that they wanted a lottery here, I still believe it is not a good moral example for the Government to show that it looks on these two pieces of legislation as methods of raising revenue to meet the ordinary costs of hospitals which, of course, it has announced as its intention under the two Bills introduced. I shall say a little more about that later. With regard to the increases that have been imposed, if members take the trouble to read the Parliamentary Papers laid on the table in this Chamber from time to time they will know that over the past 12 or 18 months, in a quiet way (by way of regulation) fees and charges for various services and fees relating to other things have been increased. These increases also have had their indirect impact on the money people of the State have had to pay for these particular services.

In the first year the Government was in office it was inexperienced as it had not been in Government for a long time and, therefore, the Treasurer probably had some difficulty in adjusting his expectation of revenue from various sources to the things he wanted to do. We know that the Government made certain promises in its policy speech presented by the Treasurer as Leader of the Opposition. It quickly gave effect to one of these promises by introducing legislation in this place. As the previous Government had also been considering similar legislation, members on this side thought it was quite proper to support it. In this respect I refer to service pay, but we certainly did not expect that the payment of service pay to the extent provided by the present Government would result in the State's finances falling into the precarious state in which we now find them. When the member for Rocky River (Mr. Heaslip) was speaking, the member for Port Pirie (Mr. McKee) interjected, and mentioned equal pay for equal work. I should like to make clear my position on this. I favour equal pay for equal work. I should be rather hypocritical if I did not.

The Hon. Frank Walsh: Of equal value?

Mrs. STEELE: What I said was equal pay for equal work done.

The Hon. Frank Walsh: Of equal value?

Mrs. STEELE: I shall not quibble on that point. I think members know what I mean when I talk about equal pay for equal work. I should be the last person to disagree to such a thing because, as a member of Parliament,

I am paid exactly the same for my services as my male colleagues are paid.

Mr. Heaslip: And doing the same work.

Mrs. STEELE: Yes, for doing the same work. Although I favour equal pay, I think these things depend to a certain extent on the State's financial position and that some of these items are luxuries that we can ill afford if the State's finances are in such a state that providing them will throw the whole economy into difficulties. I consider this is perhaps one of the things that we should leave until we are in a better position to give effect to such a promise, which was made by the present Government when it was in Opposition.

I want to make quite clear that I favour this but that these things have to be taken into account in the context of the State's finances at the time. Time and time again the Treasurer, in the Financial Statement that accompanied the presentation of the Budget, when referring to the increases that were being made mentioned that what the Government was doing would bring South Australia into line with the other States. For instance, we find it in the reference to land tax, and in regard to the increases in rail freights and fares he said:

Having made these increases the South Australian rail freights will generally be the lowest in Australia and rail fares will remain clearly lower than the average of other States. Regarding the increases in tram and bus fares, the Treasurer said:

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.

In regard to stamp duties, he said:

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 . . .

In regard to liquor licences, he said:

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.

I want to comment on these references, because one of the cardinal principles of the previous Government was a recognition that it must keep costs and wages below those of the other States if South Australia was to compete in any way with the other States for the markets we were seeking in States with bigger populations. This was done deliberately, and it was the reason why these charges were the lowest charges in any State of the Commonwealth for so many years.

This was done with the idea of enabling South Australia to compete with the other States, as I have said. That this was a success was obvious from the fact that, until 18 months ago, this State was able to compete with the other States in many industries. However, it is apparent that since March, 1965, when this Government took office, we have not been in the advantageous position we enjoyed before then.

I do not agree with the point sometimes made that it is a crime that the previous Government deliberately maintained wages and costs at a lower level than the rest of Australia, because we were better off under a Government that kept these facts in mind. I forgot to mention when I was speaking of equal pay for equal work that it is not much good getting these increases when we make so little out of the gain we get from equal pay because of taxation and charges for other services. I realize, and I think many other members also realize, that the people of South Australia are beginning to appreciate that they were better off 18 months ago than they are now, under the present Government.

I was greatly interested in what the member for Glenelg (Mr. Hudson) said last evening in this debate. He was, as ever, critical of the Commonwealth Government and its attitude to the States in the provision of finance, and for this reason he laid most of the blame for our financial difficulties on the plate of the Commonwealth Treasurer, as he usually does. To me this seems strange, coming from a member of the Party in office that in various spheres is not taking advantage of the Commonwealth's offer to make money available for certain purposes on a proportionate basis.

The member for Mitcham (Mr. Millhouse) referred to this in another debate this afternoon when he said we were in danger of losing a grant from the Commonwealth Government for capital expenditure on mental hospitals. We know that in the last session of Parliament much attention was directed to the fact that it seemed that we would lose money that the Commonwealth Government was going to make available to the universities for research grants. We were in a position to lose this because we could not match the money the Commonwealth was prepared to offer.

Considering that, when the Liberal and Country League Government went out of office, the Treasurer had a credit (which I think was about \$1,200,000), we should have been in a

position to avail ourselves of these Commonwealth Grants. It was only because the Government went ahead and honoured its various election promises that we could not meet the grants of which previously the Government had been able to take advantage when the Commonwealth offered them.

I would have considered that education, which is such an important department and which plays such an important part in any State's development, should come before the granting of service pay and the promises of free books and such like that the Government decided to honour. Although the member for Glenelg said the Commonwealth Government was more or less responsible for the State's financial position, I point out that the State Government has not taken advantage of the funds that the Commonwealth Government was prepared to make available to us. Of course, we are used to hearing this kind of criticism from the honourable member, so the remarks he made last night did not surprise us. He seems to me, as I think he seems to other members on this side, to be the chief justifier rather than the chief apologist for his Party and for the Government's monetary policy. The more I listen to him, the more I come to the conclusion that he is a theoretical economist obviously equally at home lecturing students at the university or members of Parliament, and his speech last night consisted of excuses and cynical abuse of the Commonwealth Government as well as rather childish and personal attacks on my colleagues on this side—to wit, the Leader of the Opposition and the member for Gumeracha (Hon. Sir Thomas Playford), who probably knew more about finance at the State level at the present age of the member for Glenelg than that member is ever likely to know. In any case, I do not think he is ever likely to be in the position that the member for Gumeracha held for so many years (Treasurer of the State) because I imagine his chances are even slimmer now than they were when he was the chief spokesman for the present Government just prior to the last election. Now, having been unsuccessful in his baiting of the member for Gumeracha, he has turned his attention to the member for Mitcham (Mr. Millhouse) who, I think most members will agree, can give as good as he takes.

I was interested to hear the comments of the member for Glenelg on the Commonwealth Government's spending on defence. He seems to believe that the Commonwealth Government's policy on Vietnam is correct, because he tacitly admitted this when he said last night:

We cannot spend money at the Commonwealth level for defence purposes associated with sending our troops to Vietnam and still have the same amount of additional funds available as in previous years, for domestic developmental purposes.

Mr. Quirke: That is not necessarily correct, either.

Mrs. STEELE: That may be so, but I am merely quoting what the member for Glenelg said. To be fair, we realize that there are some aspects of finance as regards Commonwealth grants that are beyond the control of this Government, and they have contributed to the present situation. It is clear that the defence commitments of the Commonwealth Government have limited the sum that it can make available to the States. The defence of Australia probably comes first and foremost and we, as one of the States of the Commonwealth, must accept that this imposes limitations on the sum the Commonwealth has available to pass on to the States for their development and for maintaining their various activities.

When the member for Glenelg was speaking last night, the member for Rocky River (Mr. Heaslip) said that there were many "ifs" and "hopes" in the comments he made. I believe the member for Glenelg said, "I think we shall get out of our financial position this year and, if we do, we can probably do more next year towards reducing the deficit." This, of course, is confirmed by the Treasurer's comment when presenting the Budget: the Government's programme overall was to hold the line financially. This is a fairly irresponsible kind of comment for the Treasurer to make. I should have thought that, with the experience of at least one Budget behind him, we could have expected more of the Government in its forecasting of the likely financial position of the State for this financial year; but the Government, almost blithely, announced a deficit of over \$8,000,000, so I guess that this comment about "holding the line financially" is much in line with the comment made at that time. I make the point that to have incurred a deficit of \$9,200,000 in a little over 18 months is not a bad achievement, depending on which way we look at it!

It seems that the Government in deciding to use some of its reserve and trust funds to meet a difficult financial position is somewhat in the position of a gambler who outlays a little money in the hope that he will make a little more by whatever form of betting he is going to invest in, so that he can put a little more back into the till and even things up by the

time the books come to be audited. I imagine this is fairly difficult to do in the context of State finances, so it was with concern that members on this side heard that this was in fact happening to the State's finances. We shall watch anxiously to see how, if we are really going to "hold the line" with these reserves and funds, these reserves and funds will be built up again to the position they were in when the present Government took office. We know that in doing this it was able to relieve the Budget of some of the bigger items of expenditure, such as the expenditures on non-Government hospitals and tertiary education establishments, about which I shall have more to say in a moment.

We know that last year, following questioning by members on this side, the Minister of Education agreed to meet the amount the Commonwealth Government had offered as research funds on condition that the tertiary education establishments involved would accept a like reduction in the Estimates for this year. Then, grants for capital purposes to tertiary establishments were this year made a charge against Loan funds.

I now want to speak on some items of education, and I want to put to the Minister of Education some questions which I hope when we get to the lines he may be able to answer for me. I was glad to see that there is an increase on the line "Divisional Librarian, Librarians, Library Assistants, etc." of \$47,742. I have previously spoken at length of the difficulties the Principal Librarian has faced regarding trained people and the retention of such people once they have been trained. I believe that here in South Australia the librarian service is second to none in the Commonwealth, and this is borne out by the fact that as quickly as people are trained here in South Australia they are snapped up by libraries all over the Commonwealth. I know that the Principal Librarian faces a real dilemma with some of his very best librarians going to much more lucrative positions.

I do not know whether the increase on this line means that more librarians have been appointed or whether the librarians are to be paid a higher remuneration. It could be both, or it could be one or the other of these factors. However, I consider that this is one service that has been rather the Cinderella branch of the Education Department in past years, and I have said previously that I thought something should be done to improve the status and the rates of remuneration of the people engaged in

library services. I notice that in the "Contingencies" section there is a decrease of a little over \$14,000 on the line "Transfer to The Libraries Board for Reference Library and Newspaper Reading Room, Research Service, Archives, Country Lending Service, etc." I know from experience that the Adelaide Public Library provides an excellent service for the publication of various types of book and for books of particular literary value that are sought by connoisseurs and by people all over Australia and perhaps even overseas. The library has an excellent method of doing this—I think it is called xerography—and this service is valued very highly indeed by people who can judge the kind of service that is provided. I notice that here there is a considerable reduction, and I think it is a pity if it means that these services are to be cut down in any way at all. I realize this line covers a very wide range of ancillary services to the Libraries Department, but it is a considerable reduction and I wonder just what is involved.

When we come to the "Miscellaneous" items under the Minister of Education, the reduction that perhaps gives members most concern is in the grants to the various tertiary establishments—the University of Adelaide, the Flinders University of South Australia, and the South Australian Institute of Technology. Overall, it is good to see that the Education Department is one section of the Government's responsibilities in respect of which there has been an increase. At the same time, the Treasurer in his statement points out that on this "Miscellaneous" line the proposed total provision of \$10,642,000 represents a decrease of \$2,666,000 on last year, and that this reduced provision is consequential on the decision to charge to Loan Account an aggregate of \$3,800,000. However, we must remember that in the Supplementary Estimates we provided \$770,000 above the original estimate for last year.

We are, of course, concerned that the grants to the universities and to the Institute of Technology have been reduced at a time when these institutions are expected to provide extra courses and to undertake new responsibilities brought about largely because of the increased enrolments at these various educational establishments. This is causing great concern to the people whose responsibility it is to organize the allocation of funds to various departments to ensure that the best possible service is provided to the students who enrol at these places. Also, there is the factor that unless we provide

the facilities that are necessary at these institutions we will not attract the right kind of academic person to the staff of these institutions, and therefore research work that could be done at these places will not be maintained at the high level that we would desire.

There is a general need all over Australia today for education authorities to cut their coat according to the cloth available in terms of providing the facilities within the grants made to these establishments. These reductions are nevertheless, a matter of great concern because they mean that, at a time when there are more young people coming forward as a result of the facilities provided these days by way of scholarships and various other grants for students, the institutions which are to provide those people with tertiary education have to limit the intake and impose quotas of students. I am afraid that this will happen as a result of the reductions we see in the grants to the two universities and to the institute. I deduce from his comments here today in reply to questions by the member for Mitcham that the Minister of Education is very much aware of this, and probably it is a matter of great regret to him that he is not able to meet the full requirements of the universities so that these can be matched by the grants the Australian Universities Commission will recommend for these places in the next few days.

I realize that other members wish to speak in this debate, but I conclude on a more cheerful note. As President of the Oral School I am grateful to the Minister of Education for the small increase it has received in its grant. As honourable members probably know, it acts as a feeder to the speech and hearing centres of the Education Department and takes children from about the age of seven years. It is fully extended as a private organization to meet requirements and provide correct facilities in a specialized type of education, and we are grateful to the Minister for the extra allocation. A sum of \$1,600 also comes from the Education Department, and that was the result of a conversation I had with the Treasurer some months ago, and was to assist in building extra rooms at the school, which are now completed and are most acceptable, as they are properly built schoolrooms for the teaching of deaf children. As the Treasurer is not here I thank the Minister of Education for the extra \$4,000 the school has received, and support the first line.

Mr. BURDON (Mount Gambier): I did not intend to speak in this debate but having heard and read remarks of Opposition members one

can be pardoned for saying something. The Leader of the Opposition yesterday made what would be one of the most feeble Budget speeches that had been heard in this Chamber. What has the Leader's Party done in this State and what would it do? It is obvious that the Leader objects to any increase in wages given to public servants; and he objects to service payments to daily-paid employees in this State. Some form of service pay was offered by his Party before or during the last State election, but he also objects to pay increases for school teachers and the \$2 increase in the basic wage. Apparently, he objects to any marginal increase that may be granted to skilled or semi-skilled workers in the future, because the policy of his Party in the past has been to keep this a low-wage State. The Leader has suggested no alternative but has said that the Treasurer has failed to come to grips with the financial situation in this State. He said nothing about the huge deficit budgeted for by the Commonwealth Government.

Its purpose was to try to keep works on an even keel; the alternatives available to the Commonwealth Government were to increase taxation or to reduce the level of production and create mass unemployment, and neither would be palatable to the Commonwealth Government in an election year. The general tone of the Leader's remarks has been one of criticism and, apparently, if he were Treasurer of this State public works would come to a grinding halt, and his crocodile tears for the workers of this State would flow. If he were so concerned he should suggest an alternative and not say that the Treasurer has mishandled the State's finances.

Mr. Quirke: He doesn't have to.

Mr. BURDON: The people of this State expect concrete suggestions from the Opposition. If it has an alternative method of keeping utilities going without raising taxation, yet at the same time providing more schools and teachers, more teacher-training facilities, and more doctor-training facilities, it would be unique among political Parties today. Its past history gives the direct lie to its claims today. No Government has found a method of spending money on necessary State works without raising taxation and, unfortunately, people will always have to pay taxation in some form. The Leader of the Opposition is shortly to address a meeting of the Municipal Councils Association, and I suppose he will tell it that it is not necessary to increase rates for council works to be done. Perhaps he will suggest that all employees be put off so that

it will not be necessary to increase rates as there will be no work to be done. Perhaps the Leader conveniently forgot that when his Party was in Government it used trust funds and had deficits. Other Australian States are faced with a prospect of large deficits in their coming Budgets. The member for Gumeracha when Treasurer had the knack of manipulating State finances, for instance land tax, without creating much noise in this Chamber. The Liberal and Country League in the last year of office created an expenditure rate out of all proportion to the then current revenue rate, and I shall say more about this later.

Mr. Quirke: Not too much later!

Mr. BURDON: The member for Burra is also included in my list for later tonight as I wish to say something about his financial theories.

Mr. Quirke: Ask leave to continue your remarks, because we shall all be fresher tomorrow.

Mr. BURDON: The gap between revenue and expenditure was created for two purposes: first, with the object of trying to hoodwink electors with the spending programme and, if this failed, the second object was to embarrass an incoming Labor Government by creating an almost unbridgeable gap between the spending and revenue rates, and this is what the Opposition succeeded in doing. The Labor Government was faced with the proposition of putting the brake on and causing mass unemployment or gradually closing the gap over a period, and the Government took the latter course. No-one denies that we have a deficit and that some people are unemployed, but the responsibility for this state of affairs is laid in the lap of the Opposition, where it belongs. The Opposition should have been frank with the people of South Australia.

Speaking for Government members, I am sure that no-one favours increased taxation, nor do we appreciate having people out of work, but the people of this State are aware of the legacy left by the Opposition when it went out of office. The people can appreciate what has been done by this Government in providing additional workmen's compensation for wage-earners and rail travel for pensioners. The Government has held Housing Trust rents (increases having been previously forbidden by the former Government). It is honouring the promises to the Public Service; it has increased allowances for student teachers (a measure long overdue), and increased salaries

to all schoolteachers. It has instituted the principle of equal pay for the sexes, the first to receive this consideration being women teachers over a five-year period. The Government has also extended the Country Factories Act and the Scaffolding Inspection Act; it has made provision for free school books to all primary schools in 1967 (both State and private); and it has provided for the continuity of service for women teachers who marry and return to the profession, as well as implementing many other measures that have previously been denied the people of this State. I have dealt with some of the aspects raised by members of the Opposition, who have not given one practical alternative to the Government's policy.

Mr. McAnaney: Where are you getting the money from?

Mr. BURDON: We received some light from the member for Light (Mr. Freebairn), who said he would not be gloomy like some of his colleagues—

Mr. McAnaney: You're irresponsible; you spend money you haven't got.

Mr. BURDON: —but, unfortunately, he finished there. The old war horse (the member for Onkaparinga) was a little more frank and said that some measures taken by the Government were justified and possibly overdue. He also believed the previous Government had been neglectful for too long. The Opposition having raised questions in the House about Commonwealth matching grants for education in this State, I draw the attention of the House to the restrictive nature of these grants. No Government can accept such grants without upsetting budgeted revenue. The Commonwealth must share much of the responsibility for the States' difficulties in financial matters. The member for Rocky River has said that he could not see anything wrong with the Commonwealth Government's deficit or the deficits of the Governments of Victoria and New South Wales, but he was horrified at South Australia's deficit. As I said before, nobody likes increasing taxation, but we must realize that taxation—

Mr. Nankivell: Wouldn't you say the Commonwealth Government was meeting its responsibilities?

Mr. BURDON: We agree with the Commonwealth Government's uniform taxation measures, but if that Government says "Here's \$500,000; we want you to match it," where does one obtain the required sum? It has

to come from somewhere. I think the honourable member will agree that such a situation can throw any State Government's budgeting proposals out of all proportion. A certain theory on financial measures has been expounded by the member for Burra (Mr. Quirke) who, I believe, about 25 or 26 years ago, advanced the same argument. Having heard him on that theme only recently, I point out that with the increasing difficulties of the States, and with the present financial relationship between the States and the Commonwealth, some serious thought may have to be given to some other monetary system in the future. I shall not say at this stage that the theories advanced by the honourable member will be adopted. However, with the ever-increasing public debt, about \$6,000,000 or \$8,000,000 is returned to a sinking fund, and our public debt has increased by over \$70,000,000 in the last year. We may well reach the stage where the whole of our revenue will have to go to a sinking fund. Where will the additional money come from? I believe that the present system will eventually have to give way to something else. Although I do not know the answer, I know that we cannot continue to increase taxation, because a limit exists that—

Mr. Ryan: Of course, you could abolish the Upper House, and save a few bob!

Mr. BURDON: I do not know that much would be gained financially by doing that. Somebody will have to face up to this matter soon. If we have to raise about \$37,000,000 this year to pay interest to the Commonwealth on moneys borrowed we shall certainly not be able to continue at that rate. I believe that the member for Burra would agree that some arrangements may have to be made with the Commonwealth about the State's using some of these huge interest payments.

Mr. Quirke: If you look at the 1944 Statutes you will find the Financial Agreement; you have a look at that!

Mr. BURDON: If we continue under that agreement, we shall eventually be losing all our money to either interest repayments or the sinking fund.

Members interjecting.

The CHAIRMAN: Order!

Mr. BURDON: I shall not continue on that line, but repeat that some thought will have to be given to improving the Financial Agreement between the Commonwealth and the States. I wish now to deal with the Budget introduced by the member for Gumeracha, when Treasurer, in 1964, which was the last Budget introduced by him. The member for Mitcham

(Mr. Millhouse) on September 16, when speaking to that debate, stated:

I cannot remember the last time the Treasurer in his Budget was obliged to tap several new fields of taxation at the same time. In this Budget, we have five specific areas of taxation in which the tax is either increased or in which it is imposed for the first time.

Mr. Clark: This sounds like the criticism he made the other day of our Budget.

Mr. BURDON: Correct! The honourable member continued:

This taxation has been made necessary by a gap of about £4,500,000—

which today, of course, represents \$9,000,000—between the expenditure required during 1964-65, and the revenue that can be anticipated without these increases in taxation. In his Budget speech, the Treasurer put the responsibility of the necessity for increasing taxation fairly and squarely on the Commonwealth Government, when he said:

I feel bound to express the view that the Commonwealth has taken far too severe an approach in its financial policy towards the States. Had it not been for the considerable surpluses this State possesses from prior years and from the uranium project following upon the prudent budgetary policies adopted by the Government, the impact upon our finances would have been severe in the extreme. . . . unless there was a more favourable approach by the Commonwealth the 1965-66 Budget would be very difficult indeed.

This all merely underlines the growing financial dependence of the States upon the Commonwealth. That is a matter to which I have referred previously in this debate. I believe that, accepting the current trend of opinion in Australia, this is inevitable. It is apparently in accord with the outlook of the Australian people and since this Budget was introduced, of course, we have had the sharp reaction all over Australia to the Victorian Budget introduced by the Treasurer of that State (Mr. Henry Bolte) last week.

Mr. Clark: Wait until they hear his Budget this year!

Mr. BURDON: It will probably echo what happened in 1964. The member for Mitcham continued:

I now turn to the items in the Budget, which I think should be referred to on the first line. The Treasurer said in his Budget speech that a gap of about £4,500,000 existed between expenditure and expected revenue. That had to be met somehow and we all know of the ways in which it is to be done, including an increase in taxation of about £1,250,000. It would be idle to say that this has not caused any complaint or protest amongst those sections of the community that will be affected by these taxes. It is only natural that there should be complaint and protest, and there would be something wrong if people did not complain in these circumstances. There may be some anomalies (and I certainly have had some representations on specific matters) in

the proposals for increased taxation that have been presented to this Parliament. There will, of course, be an opportunity to go into that and to debate the details when the Bill is before the House, but not in this Committee. However, I point out that the money had to be found from somewhere.

I think that is enough of what the member for Mitcham said in 1964. Earlier in my remarks the member for Stirling tried to put me off the line.

Mr. McAnaney: I was trying to get you back on the line.

The CHAIRMAN: Order! The honourable member for Stirling has finished his speech. The member for Mount Gambier.

Mr. BURDON: Thank you, Mr. Chairman. The member for Stirling said that the Government had not learned from its mistakes. The previous Government, of which the honourable member was a member for a short time, was in office for 30 years and it did not learn from its mistakes, because the people of South Australia put this Party into office to overcome the mistakes it had made. The member for Stirling also complained bitterly that this Government had not seen fit to remove stamp duty on motor cars. I should like the honourable member to ascertain who was responsible for the introduction of this tax. It appears that the honourable member forgets quickly, easily and conveniently when he is in Opposition because, if he casts his mind back about October, 1964, he will recall that this stamp duty legislation was imposed by the Playford Government.

I believe that when a spending rate is created by raising taxation it is not possible to reduce it. If it is reduced a difficulty is caused which somebody has to overcome. It has been said that several things should be done in this State now to balance the Budget. If the Budget is to be balanced, it can be done only by stopping work on some public utility, as I have already said. I do not think the member for Stirling honestly believes that that should be done and that people should be put out of work.

Mr. McAnaney: When you catch up with what I said I might argue with you.

Mr. BURDON: When the honourable member realizes that what I am saying is clearer than what he said we might be able to argue.

Mr. Freebairn: Would you mind speaking up?

Mr. BURDON: Earlier I paid the honourable member a compliment by saying that I thought we were going to get a bit of light from the member for Light, but when I thought we were about to get some light he ran out of steam.

I turn now to district matters. I am interested in afforestation, and most of the afforestation carried out in South Australia is done in the South-East. Unfortunately, the area in which extensions can be made is limited by the availability of land. I am pleased that the present Minister of Forests has seen fit in the last 12 months to purchase about 5,000 acres for afforestation, about 3,000 acres of which is in the South-East. I also understand that in the early 1970's the South Australian Woods and Forests Department may require additional land and, with a planting rate of about 6,000 acres a year, about half the acreage necessary in the South East for one year has been purchased. It is not necessary to have 6,000 acres of new land available each year, because we plant probably 2,000 or 3,000 acres of felled country in each year. I ask the Minister and the department to seriously consider taking action to encourage forestry by private landholders. In New Zealand the Forestry Encouragement Act was brought up to date in 1965. New Zealand is in a different position from South Australia or the Commonwealth, because there is only one Government in that country.

The Hon. G. A. Bywaters: It has its own taxing rights.

Mr. Clark: And it has only one House.

The CHAIRMAN: Order!

Mr. BURDON: That is one distinct advantage that New Zealand has. We have taxation by both the State and the Commonwealth, and this is a matter that must be overcome.

Mr. Freebairn: We are referring to death duties, aren't we?

Mr. BURDON: Many things, including death duties, probate and taxation, have to be overcome. I consider that between 50,000 and 75,000 acres of suitable land in the South-East could be used for afforestation purposes. This land is at present held by private landholders. If a scheme can be accomplished, it will mean a vast extension of the afforestation possibilities of the South-East and a vast increase in revenue for the State and for the whole of Australia. The importation of less timber will result in a considerable saving to Australia in exchange rates. Plenty of water is available in the South-East and more timber is required for pulping purposes.

At present there is a possibility that another small pulping plant will be built in the area, and this plant, if built, will take up practically all the surplus supplies of chips from off-cut timber. A de-barker is being

installed at the Mount Burr sawmill that will clean and de-bark all logs that enter the mill and before they are sawn. After the logs are sawn, all off-cuts from the debarked logs will be converted to chips and then into paper of all descriptions.

We are coming to the end of available supplies of timber in the South-East, and any increase in plantings will assist. The land that I have mentioned can be used if satisfactory arrangements can be made and, in the interests of forestry in South Australia, I urge the Minister and his forestry officers to do all that they can to bring this about. I have been associated with forestry officers, and I do not think any State in Australia has better officers than those serving our Woods and Forests Department.

I now desire to deal with housing in the country. This is a continual problem, particularly in my area, where people seeking employment are unable to obtain Housing Trust houses. The waiting time varies considerably: sometimes it is three months and other times it is six or seven months. This waiting creates difficulties, because men who are unable to get houses for their wives and families often leave the area. This presents labour difficulties for all mills in the South-East, and I hope that more houses will be built.

The sewerage of Mount Gambier has almost been completed. I understand that in the last year or two exceptional progress has been made and that the scheme is running well ahead of schedule. Inevitably, when a scheme such as

this is coming to an end, the services of many people have to be dispensed with.

Mr. Nankivell: Why? They can go to Millicent or Bordertown.

Mr. BURDON: Those schemes are not so large. The Engineering and Water Supply Department has been able to place all the employees who were employed on this scheme. Some have gone to the Railways Department and others to the Woods and Forests Department. I believe that in another 12 months' time this scheme may be virtually completed in Mount Gambier, with the exception of connections being made; and they will continue to be made over the years as more houses are built and brought into the scheme, which will necessitate keeping only a small body of men there to undertake the necessary work. We now have in Mount Gambier a scheme coming to fruition. We are one of the few fortunate communities with such a scheme.

Mr. Quirke: I hope you are duly grateful.

Mr. BURDON: We are grateful, but this is one of the problems it creates: we are continually finding people having difficulty in meeting payments due. The member for Albert (Mr. Nankivell) will experience this soon, and so may the member for Millicent (Hon. J. D. Corcoran). With those few remarks, I support the first line.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 10.42 p.m. the House adjourned until Thursday, September 15, at 2 p.m.